Annual Report

ALBERTA GOVERNMENT SERVICES

2003-2004

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Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 24 ministries.

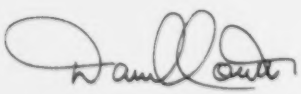
The annual report of the Government of Alberta released June 24, 2004 contains the Minister of Finance's accountability statement, the consolidated financial statements of the province and a comparison of the actual performance results to desired results set out in the government's business plan, including the *Measuring Up* report.

This annual report of the Ministry of Government Services contains the Minister's accountability statement, the audited financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the ministry has anything to report.

105-02436/

Minister's Accountability Statement

The ministry's annual report for the year ended March 31, 2004 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at September 1, 2004 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.



David C. Coutts
Minister of Government Services

September 1, 2004

Message from the Minister

Since its recent creation, Alberta Government Services has become a leader in serving Albertans — through consumer and privacy protection, Registries, Service Alberta and the Alberta Corporate Service Centre. Our ministry owes its success to keeping the needs of Albertans at the forefront of everything it does. The year 2003-04 was no exception.

This year we introduced Alberta's new driver's licence, redesigned to become one of the most secure documents of its kind in North America. To further reduce fraud and identity theft, the ministry began incorporating facial comparison technology. Albertans deserve nothing less than knowing their driver's licence is virtually tamper-proof.

With identity theft the fastest growing fraud in North America, the ministry — in partnership with law enforcement agencies, consumer groups and the private sector — developed a universal identity theft statement. It provides victims with a single form to notify banks, retailers and credit card issuers of stolen identity.

Our ministry also joined with Canadian and American law enforcement and consumer agencies to create the Alberta Partnership Against Cross-border Fraud. By coordinating enforcement efforts and information, the partnership thwarts international fraud artists trying to escape prosecution.

This year the ministry investigated nearly 2,000 consumer complaints, resulting in more than $780,000 in restitution to victims. The ministry also laid charges resulting in some of the most severe fines and sentences ever imposed for marketplace misconduct. The National Association of Consumer Agency Administrators, based in Washington, D.C., recognized our outstanding efforts with its 2003 Consumer Agency Achievement Award.

We continued to ensure consumer protection laws reflect an increasingly complex marketplace, with a public consultation on the *Fair Trading Act*. We also amended the *Residential Tenancies Act* to address landlord and tenant concerns, including the need for alternate dispute resolution and a code of practice.

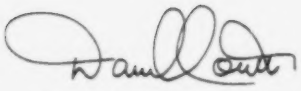
On January 1, 2004, the *Personal Information Protection Act* became law, providing privacy protection within the private sector. The Act replaces federal legislation, which was more complex and cumbersome for small businesses.

We also created the Utilities Consumer Advocate office in 2003-04. Directed to help Albertans resolve concerns about high energy bills and customer service, the Advocate responded to nearly 1,000 calls, letters and e-mails in the first six months.

Another fine example of excellent customer service this past year was our Land Titles offices. Faced with record volumes of registrations, which have risen 30 per cent in three years, staff nevertheless managed to maintain among the best turnaround times in Canada for most of the year.

Our ministry also continued to lead two major service improvement initiatives for the Government of Alberta. Service Alberta, intended to make it easier for Albertans to interact with their government, added new information and services to its website. The Alberta Corporate Service Centre achieved major savings by consolidating purchasing for government ministries, along with other streamlining efforts.

Alberta Government Services is proud to provide services essential to the lives of Albertans. Throughout the year we focused on fulfilling our mandate with the same commitment to excellence as always. It's an honour to lead a ministry that touches the lives of Albertans in so many important ways.



David C. Coutts
Minister of Government Services

September 1, 2004

Management's Responsibility for Reporting

The Ministry of Alberta Government Services includes the Department of Government Services, the Utilities Consumer Advocate (UCA), the Alberta Corporate Service Centre (ACSC) and the Regulatory Review Secretariat.

The executives of the individual entities within the ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the financial statements and performance results for the ministry rests with the Minister of Alberta Government Services. Under the direction of the Minister, we oversee the preparation of the ministry's annual report, including financial statements and performance results. The financial statements and the performance results, of necessity, include amounts that are based on estimates and judgements. The financial statements are prepared in accordance with the government's stated accounting policies.

As Deputy Ministers, in addition to program responsibilities, we establish and maintain the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control which give consideration to costs, benefits and risks that are designed to:

- Provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations and properly recorded so as to maintain accountability of public money,
- Provide information to manage and report on performance,
- Safeguard the assets and properties of the province under ministry administration,

- Provide Executive Council, Treasury Board, the Minister of Finance and the Minister of Alberta Government Services any information needed to fulfill their responsibilities, and
- Facilitate preparation of ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling our responsibilities for the ministry, we have relied, as necessary, on the executive of the individual entities within the ministry.

Fay Orr
Deputy Minister
Department of Government Services

Roger Jackson
Deputy Minister
Utilities Consumer Advocate

Dave Rehill
Deputy Minister and Chief Executive Officer
Alberta Corporate Service Centre

September 1, 2004

Overview

Ministry Entities

Minister of Government Services
Honourable David C. Coutts, Minister
Phone: (780) 415-4855, Fax: (780) 415-4853

Regulatory Review Secretariat

- Promotes the review of all provincial regulations.
- Chaired by Richard Magnus, MLA, Calgary North Hill
- Contact Vera Fedor
  Phone: (780) 422-1736
  Fax: (780) 415-4860
  E-mail: vera.fedor@gov.ab.ca

Government Services
Fay Orr, Deputy Minister
Phone: (780) 427-0621, Fax: (780) 427-0902

Alberta Corporate Service Centre
Dave Rehill,
Deputy Minister and Chief Executive Officer
Phone: (780) 415-6078, Fax: (780) 415-6091

Utilities Consumer Advocate
Roger Jackson, Deputy Minister
Phone: (780) 644-5130, Fax: (780) 644-5129

Licensing, Registry and Consumer Services

- Supports a fair and effective marketplace for consumers and businesses and ensures the delivery and accessibility of registry and licensing services.
- Contact: Laurie Beveridge, Assistant Deputy Minister
  Phone: (780) 427-4095, Fax: (780) 422-0818, E-mail: laurie.beveridge@gov.ab.ca

Service Alberta

- Leads a cross-ministry initiative to make it easier for Albertans to obtain information and services from their government. Once it is fully implemented, Service Alberta will enable Albertans to access services using their choice of delivery channels without having to know which department provides which service.
- Contact: Wilma Haas, Managing Director
  Phone: (780) 415-6090, Fax: (780) 422-8151, E-mail: wilma.haas@gov.ab.ca
  Website: www.servicealberta.ca

Information Management, Access and Privacy

- Co-ordinates the government-wide administration of the *Freedom of Information and Protection of Privacy Act* and provides support to government ministries, agencies and local public bodies who are required to comply with the act. Provides support for the administration of the *Personal Information Protection Act*. Assists ministries across government in managing their information resources.
- Contact: Tom Thackeray, Executive Director
  Phone: (780) 415-5852, Fax: (780) 427-1120, E-mail: tom.thackeray@gov.ab.ca

Ministry Support Services

- The Senior Financial Officer provides business planning, budgeting and financial management services.
- The Chief Information Officer provides direction for information technology initiatives.
- The Public Affairs Bureau and internal resources jointly provide communication services.
- The Director of Human Resources provides human resource services.
- Administration services are provided through a shared services arrangement with Alberta Municipal Affairs.
- Legal services are provided by Alberta Justice.
- Contact: Deputy Minister's Office
  Phone: (780) 427-0621, Fax: (780) 427-0902, E-mail: government.services@gov.ab.ca

Operational Overview

Alberta Government Services provides a diverse range of services that touch the lives of almost every Albertan. The ministry helps Albertans whether they are applying for a driver's licence, registering their newborns, starting a small business, purchasing property, or seeking government information and services. In 2003-04, the client focus of Government Services further expanded with the creation of the Utilities Consumer Advocate, which helps consumers deal with energy-related concerns.

The ministry's commitment to continually seek out the best ways to meet client needs is demonstrated in its vision of "*Albertans served with excellence through innovative leadership.*"

The ministry's strong client focus is further outlined in its mission statement: "*Serving Albertans by providing effective access to government information and services, protecting privacy and promoting a fair marketplace.*" To this end, the ministry engages in the following two core businesses:

1. Support a fair and effective marketplace in Alberta by providing licensing and registry services and promoting consumer protection.
2. Lead service improvement initiatives on behalf of the Government of Alberta to improve Albertans' access to government, ensure protection of privacy and promote advancements in information management.

Core Business 1 – Fair and Effective Marketplace

One of the key components of this core business includes the innovative delivery of licensing and registry services through private sector partnerships, government offices and Internet access. Demand for these services continues to grow in relation to Alberta's prosperous economy. Specifically, in 2003-04, the ministry processed over 14.9 million business transactions on behalf of Alberta consumers and businesses. The ministry supports Alberta's marketplace activities by ensuring these licensing and registry services are accessible, secure, accurate and competitively priced.

The other important aspect of this core business relates to the education and protection of consumers. Information and services are provided to both consumers and businesses to enhance their awareness and understanding of fair business practices. As well, the ministry creates and enforces consumer protection legislation such as the *Fair Trading Act*. The ministry also communicates with other jurisdictions, both nationally and internationally, so that potential marketplace issues may be proactively identified and resolved and consumers are protected against fraud and other losses.

The creation of the new Utilities Consumer Advocate (UCA) is an additional initiative aimed at ensuring Alberta's utility market is fair and effective. The UCA was established to promote understanding of the restructured electricity and natural gas markets and to ensure Albertans' concerns and complaints are heard and effectively addressed.

Core Business 2 – Service Improvement Initiatives on behalf of the Government of Alberta

Some of the services provided under this core business support Albertans directly while others promote the overall efficiency and effectiveness of government departments and public bodies.

One program that benefits Albertans directly is the Service Alberta initiative, which aims to improve their access to government information and services. This is a key service initiative that the ministry leads on behalf of the Government of Alberta with the co-operation of other ministries. Albertans will be able to choose how and when they want to access services and will benefit from consistent and secure information and transaction processing.

Albertans also benefit from effective access to information and the protection of their privacy. Specifically, the ministry promotes and administers legislation such as the *Freedom of Information and Protection of Privacy Act* (FOIP) and the new *Personal Information Protection Act* (PIPA).

Government Services guides other ministries in simplifying their regulations and eliminating those deemed no longer necessary. As well, assistance is provided in managing information in support of effective program delivery.

The final service under this core business is focussed on promoting internal operational efficiency through the delivery of first class support services by the Alberta Corporate Service Centre (ACSC). ACSC strives to continually develop innovative, responsive and economical processes to support administration, finance, human resource, and information technology activities for the Government of Alberta.

Support for Government of Alberta (GOA) Goals

Through its core businesses and associated ministry programs, Government Services plays a key role in supporting the following Government of Alberta goals:

Prosperous economy – The ministry's efforts to promote consumer confidence in a fair and ethical marketplace are critical to stimulating business transactions and supporting a prosperous economy. Marketplace legislation is continually reviewed to ensure it remains current and responsive to emerging issues such as e-commerce and privacy protection. By providing a diverse scope of licensing and registry services, the ministry also supports Albertans as they conduct business transactions (e.g., start a business, acquire a loan, or purchase a vehicle or land).

Fair and safe place to work, live and raise families – The ministry's consumer protection legislation establishes the framework for a fair and safe marketplace and includes educational and enforcement activities to protect those who are most vulnerable to fraud (e.g., seniors, youths).

As well, registry information is a key resource that supports law enforcement and transportation safety initiatives to promote the safety and security of Albertans.

Personal identity has become a valued commodity, as susceptible to fraud and theft as any other treasured possession. Government Services has taken important measures to protect the personal identity of Albertans by implementing a new secure driver's licence.

Financially stable, open and accountable government – Through the ministry's leadership of the Service Alberta initiative, Albertans are gaining improved access to government information and services and can choose the service delivery channel they most prefer.

The ministry also strives to increase the overall efficiency and effectiveness of the Government of Alberta's administrative processes. In particular, it leads the way in finding innovative ways to process administrative transactions through the Alberta Corporate Service Centre's shared service model. As well, the ministry supports the goal of government accountability by improving information management and by providing Albertans with access to information while protecting their privacy.

Children supported in reaching their potential – The Vital Statistics registry maintains secure and accurate birth records that enable children to be registered for various government services. As well, other registry systems support the provincial maintenance enforcement program, which provides financial benefits for children and their families. ■

Performance Highlights

2003-04 proved to be a year of many changes for the ministry, each of them directly related to expanding upon our commitment to client focus and service excellence.

A significant realignment mid-way through the year established the new Utilities Consumer Advocate and recognized the magnitude of the mandate of the Alberta Corporate Service Centre with the appointment of deputy ministers to head these two initiatives.

The ministry substantially met the majority of its performance targets despite challenges due to increased transaction volumes and demand for services. Albertans continue to enjoy competitive fees for licensing and registration products. Service excellence remains a key focus for the ministry, with client satisfaction ratings ranging from 65 per cent to 87 per cent. In particular, client satisfaction with the consumer call centre and registry agent services was very high at 81 per cent and 87 per cent respectively. While satisfaction with the land title registration services decreased due to processing delays, satisfaction with the quality of the associated work has remained stable.

The ministry continued to improve Albertans' access to government and 16 new transactional services were offered through the Service Alberta website. Ninety-two per cent of FOIP requests were completed by government bodies within 60 days or less and 91 per cent were handled without complaint to the Information and Privacy Commissioner.

In addition to its success in meeting performance targets, the ministry had a number of other accomplishments:

- Implemented a new, secure driver's licence for Alberta in June 2003. The associated production process is highly secure and received a positive response from Albertans and key stakeholders (e.g., law enforcement). As well, the driver's licence received three awards from the American Association of Motor Vehicle Administrators for the public relations marketing campaign, informational video and related print materials. In addition, steps were taken to strengthen the security of registry agent offices.
- Passed Alberta's new privacy legislation, the *Personal Information Protection Act*, which provides consumers and businesses with an easy to implement and understandable alternative to the federal *Personal Information Protection and Electronic Documents Act*. This made-in-Alberta solution also ensures dispute resolution can be conducted in Alberta rather than in Ottawa.

- Continued to make progress in renewing the personal property, land titles and motor vehicle registries as part of the multi-year Registry Renewal Initiative (RRI). Specifically, online search services for land titles documents were implemented, stakeholder discussions for the motor vehicles registry were completed and the personal property system design was finalized. The project's management and control processes, as well as the planning and development framework were also strengthened (e.g., to improve productivity, cost projections and manage risks).
- Reviewed consumer legislation to respond to emerging marketplace issues by conducting consultations on the *Fair Trading Act* and *Residential Tenancies Act*.
- Provided support and analysis to Alberta Finance in their review of automobile insurance reform, which included identifying potential links to driver's licensing and vehicle registration.
- Co-operated with Alberta Transportation to roll out the new Graduated Driver's Licensing program and amend or create several regulations (e.g., Operator Licensing and Vehicle Control).
- Optimized administrative cost savings for the Government of Alberta through the ACSC initiative (e.g., saved $3 million through strategic sourcing of office equipment and supplies and an additional $1.35 million per annum on telecommunication costs).
- Received a number of awards and recognition for the following:
  - ✓ Ongoing commitment to provide a fair marketplace for both buyers and sellers by taking an innovative approach to consumer education and enforcement. Received the Consumer Agency Achievement Award from the National Association of Consumer Agency Administrators.
  - ✓ Ensuring Albertans' security through the *Security Management Statutes Amendment Act* (Alberta Justice Team Award and Certificate of Achievement for work on the Security Bill project).
  - ✓ A third place ranking for the Service Alberta website in a comparison with other ministry sites.
- Assisted in the development of a Service Excellence Award Program for the Government of Alberta.
- Initiated a public awareness campaign to promote the accessibility of government services, developed an online directory of services and enhanced the Service Alberta website based on feedback from Albertans.

Further details of these and other accomplishments are provided in the Results Analysis section. ■

Financial Highlights

Results of Operations

The following illustrates our financial performance for the year.

2003-04 Financial Analysis
($000)

	Authorized Budget	Actuals	Variance	
			$	Explanation
Revenue	471,455	475,787	4,332	Higher motor vehicle and land title transaction volumes.
Expenditures				
• Operating Expense	233,791	233,320	471	Actual spending for the driver's licence and registries renewal initiatives was classified as operating, rather than capital expenditures. Consequently, there was less amortization than budgeted under operating.
• Capital Expenditure	4,275	3,360	915	
• Statutory Expense	349	1,817	(1,468)	Includes $957 in land titles assurance payments, $375 for one account receivable that was no longer owing, and a small increase in employee vacation pay arising from salary settlements.
Total Expenditures	238,415	238,497	(82)	

Revenues

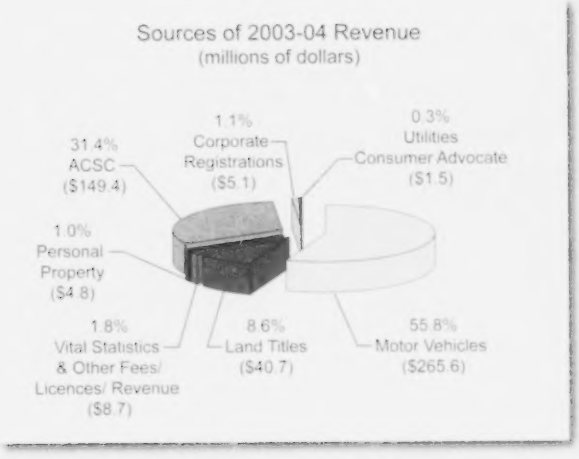
The ministry's primary sources of revenue are from fees and licences relating to the following registry services:

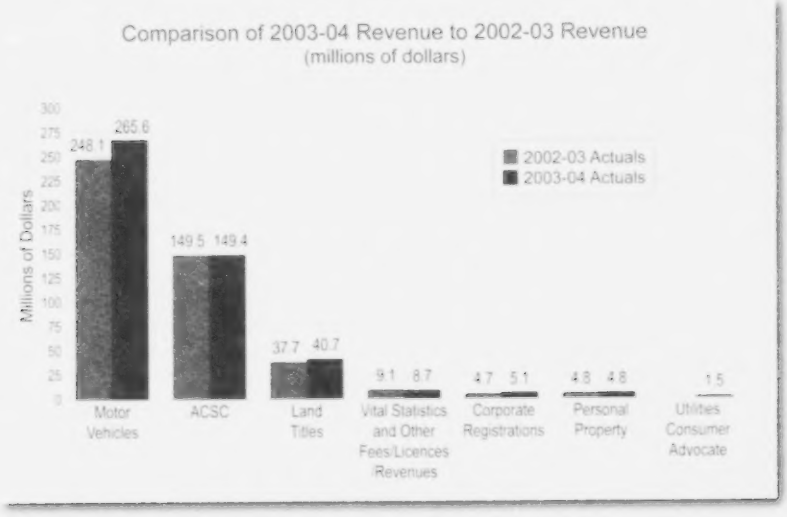
- Motor vehicles
- Land titles and related services
- Personal property
- Corporate registrations (*Business Corporations Act*)
- Vital Statistics

The amount of revenue collected is dependent upon factors such as the economic health of the province and changes in population. These factors impact the volume of sales and in some cases the amount of the fee charged. For example, fees for the registration of land titles are based on the value of the real estate or mortgage.

Another source of revenue is for services provided by ACSC. ACSC bills ministries on a cost recovery basis for administration, finance, human resource, and information technology services.

A new source of revenue also resulted from the creation of the Utilities Consumer Advocate in October 2003. This program is funded through an 80 per cent contribution from the Balancing Pool (section 148 of the *Electric Utilities Act*) with a further 20 per cent contribution from three natural gas distributors (section 28.1 of the *Gas Utilities Act*). These costs are ultimately supported by electricity and natural gas rates for consumers who benefit from the Advocate's efforts on their behalf. Any unexpended funds are returned to source and rates, if affected, are adjusted appropriately.





The majority of the ministry's fees and licences revenue was generated through the sale of registrations, licensing and search services associated with the Motor Vehicle Registry, which is the largest of the five registries. Services are delivered through 226 neighbourhood registry agents across the province. As well, some services are now offered online through the Internet.

Motor vehicle-related revenues increased by $17.4 million over 2002-03 due primarily to the full year impact of fee increases implemented in July 2002 and approximately 79,000 more transactions.

Land titles registration and search services generated $40.7 million. Government offices in Edmonton and Calgary provide examination and registration-related services while registry agents provide land title searches, historical searches and certified copies of land titles. In addition, SPIN II and Electronic Gateway provide businesses with an opportunity to conduct online searches and registrations through a subscription service.

Land title revenues increased by $3 million over 2002-03. This was attributable to increases in the volume of land-related transactions as well as escalating property values. Specifically, there were 36,000 more registrations and 167,000 more searches than in the prior year.

A further $4.8 million of revenue comes from the Personal Property Registry, which provides online registration and search services for claims against personal property. The term "personal property" is used to describe consumer goods such as motor vehicles, household and personal items, industrial and farming equipment and aircraft. It also includes property other than land, chattel paper, securities and documents of title, instruments, money or intangibles. Services related to this registry are delivered by the Registry Agent Network as well as through Registries On-line.

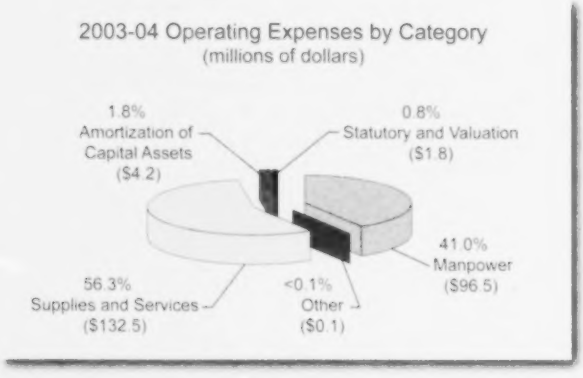
Revenue from these registrations and searches had a moderate increase of $0.05 million over 2002-03. The increase is a result of over 49,000 more registrations, offset by a decrease in searches of 4,000 from the prior year.

The *Business Corporations Act* guides the incorporation and registration of all corporations, business names and extra-provincial corporations. These services are provided by authorized service providers, including registry agents, law firms, accounting firms and search houses. Revenues increased $0.4 million over 2002-03 and represent $5.1 million of the ministry's 2003-04 fees and licence revenue.

Close to $9 million in additional revenue is generated through various other fees and licences including marriage licences, certificates for key event data such as births, deaths, adoptions and name changes, as well as business licences. Revenue associated with the sale of registry-related online search products, as well as other miscellaneous revenue (e.g., surplus asset sales, interest and refunds) is also included in this category. Overall, revenue from these sources remained relatively stable compared to 2002-03.

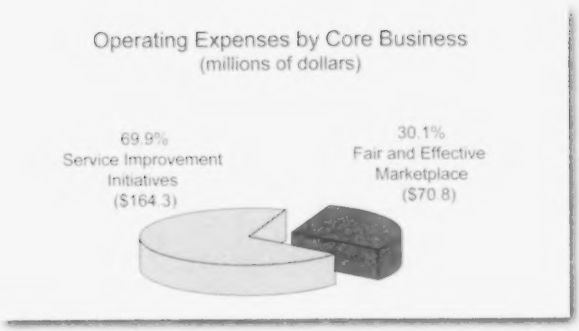
Expenses

Ministry spending increased due to the ongoing multi-year renewal of the ministry's registry systems and the upgrade of the driver's licence. The ministry also received a supplementary estimate of $0.6 million in response to increased activity in land titles transactions. Increases in agreements negotiated by ACSC with service recipient ministries also contributed to increased costs. A breakdown of expenses by category is shown below.

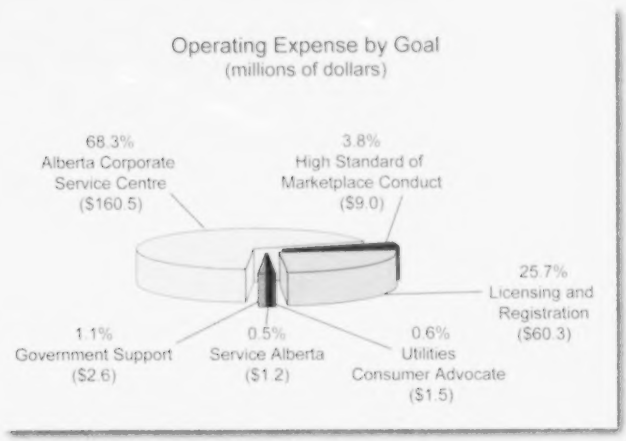


The area of greatest expense continues to be the purchase of supplies and services, where 56.3 per cent ($132.5 million) of the operating budget is directed. Key expenses within this category include contracted services ($70.3 million) - mainly contracts managed by ACSC on behalf of other ministries - as well as freight and postage ($12.6 million), materials and supplies ($11.8 million) and data processing ($7.8 million). Manpower accounts for 41 per cent ($96.5 million). Salaries, wages and employee benefits increased over the prior year because of the 3.5 per cent salary settlement. Amortization ($4.2 million) makes up most of the remaining expenditures.

2003-04 Expenses by Core Business



In addition to the operating expenses identified above, the ministry also directed capital funding of $3.4 million in support of licensing and registration services and information technology improvements.



The operating resources consumed by the ministry's two core businesses can be further broken down to each of the five goals, as illustrated above. Further details can be found in the Integrated Results Analysis section of this report.

ACSC comprised 68.3 per cent of the ministry's 2003-04 operating expenditures. These expenditures are higher than in the previous year due to negotiated agreements between ACSC and client ministries for additional services, market increases in supplies and services and one-time or special projects and equipment purchases. The majority of these expenditures are charged back to ministries, as outlined in the revenue section.

Licensing and registration services accounted for another 25.7 per cent of operating expenditures and employ an extensive information and communication technology network. A key component of this network is the ministry's registry systems (i.e., personal property, land titles and motor vehicles). As these systems are nearly 20 years old, their multi-year renewal process is critical to ensuring the security, reliability and performance of these systems, as well as enabling new services and alternative delivery channels (e.g., electronic access to certified land title documents).

The department continued to make progress in renewing these registry systems. 2003-04 deliverables for the Registries Renewal Initiative included implementation of online search services for land titles documents, completion of stakeholder discussions for the Motor Vehicles Registry and a finalized Personal Property System design. In addition, the project's management and control processes and the planning and development framework were strengthened.

The ministry dedicated 3.8 per cent of its operating resources to promote a high standard of marketplace conduct. Expenditures supported legislative, investigative and educational services to consumers and businesses.

Government support services promote the effective access to information, protection of privacy and simplification of government regulations. Resources associated with this goal represented 1.1 per cent of total operating expenses.

Service Alberta expenditures equated to less than one per cent of total resources. Progress to improve Albertans' access to government information and services continues to be achieved on an incremental and collaborative basis with other participating ministries.

The final area of expenditure is the newly created Utilities Consumer Advocate. As it was created partway through the year, it was not included in the ministry's 2003-04 business plan. The Advocate represents the interests of residential, farm and small commercial customers in Alberta's restructured retail utility markets. It monitors utility regulations, policies and practices, advises responsible stakeholders and informs consumers and stakeholders about corresponding electricity and natural gas issues. This program was established through Order in Council 433/2003 and made up 0.6 per cent of total expenses, which were fully funded through the Electricity Balancing Pool and natural gas distributors. ■

Key Factors Influencing Performance

Increasing Client Expectations

As a result of an increasingly complex marketplace, consumers have become more knowledgeable and demand a high level of service from both the private sector and government. In addition to expectations for enhanced service delivery options and hours, the issues consumers face lead to increasingly detailed and time-consuming ministry support in order to maintain satisfaction levels. These increased demands have impacted the ministry's client satisfaction performance. To satisfy the expectations of Albertans, Service Alberta continues to champion service delivery standards that will improve Albertan's access to government information and services. Through partnership with other ministries, progress will continue to be made in developing Service Alberta as a vital tool for Albertans.

Energy Restructuring

Alberta's restructured electricity and natural gas markets have presented consumers with new utility practices which have created some concerns. The Utilities Consumer Advocate (UCA) was established to help address concerns relating to costs, bills and service for residential, farm and small business operators. This is a complex and sensitive subject for Albertans and the Advocate is mandated to help with educational/awareness programs as well as appropriate advocacy of their concerns. One of the challenges is increasing Albertans' awareness of the UCA's role and mandate.

Alberta's Economic Environment

Alberta's economic growth (3.1 per cent in 2003) continued to outpace that of the rest of Canada (nationally only 1.7 per cent). The negative impact felt in the cattle/agriculture industry was offset by higher oil and gas prices, near record housing starts and strong employment growth and consumer spending. Consequently, the volume of licensing and registry transactions continued to grow in support of a dynamic marketplace. For example, the robust real estate market contributed to a 30 per cent increase in land title registrations over the past three years. This unrelenting demand put tremendous pressure on already strained resources. In spite of mitigating strategies such as staff overtime, the demand resulted in fairly lengthy turn-around times by Alberta standards, by mid-year. While the ministry was successful in its funding request for additional resources, newly hired staff will not be fully productive until well into the next fiscal year due to the complexity and length of in-depth training required. As a result, the ministry's typically high satisfaction rating with land titles services showed a significant decrease from previous results.

Privacy Issues

Albertans are increasingly concerned with their protection of privacy and the security of information held by government and the private sector. In particular, identity theft is on the rise and it was imperative that the driver's licence be made more secure. Although the new production processes result in some delays, Albertans are highly satisfied with the new licence and its security features. The implementation of the *Personal Information Protection Act* was another critical initiative for 2003-04 and Government Services was required to respond to the needs of the private sector in overcoming any resulting issues.

Process Re-engineering

There was a significant directional change for the ACSC initiative as a primary focus was placed on re-engineering business processes. As a result, key performance indicators needed to be revised and work began to ensure continued stakeholder involvement in making continuous improvements at all levels of service delivery. A new organizational structure was implemented later in the year to further facilitate the new strategic direction. ■

AUDITOR GENERAL
Alberta

Report of the Auditor General on the Results of Applying Specified Auditing Procedures to Performance Measures

To the Members of the Legislative Assembly

In connection with the Ministry of Government Service's performance measures included in the 2003-2004 *Annual Report of the Ministry of Government Services*, I have:

1. Agreed information from an external organization to reports from the organization.
2. Agreed information from reports that originated within the Ministry to source reports. In addition, I tested the procedures used to compile the underlying data into the source reports.
3. Checked that the presentation of results is consistent with the stated methodology.
4. Checked that the results presented are comparable to stated targets, and information presented in prior years.
5. Checked that the performance measures, as well as targets, agree to and include results for all of the measures presented in Budget 2003.

As a result of applying the above procedures, I found the following exceptions:

There was no data available for two Alberta Corporate Service Centre measures:

- *Stakeholder/customer satisfaction*
- *Percentage of performance targets in service level agreements that are met*

Therefore, I was not able to complete procedures 2 to 5 for these two measures. Management states on page 67 of the 2003-04 *Annual Report of the Ministry of Government Services* why the data was not available.

Procedures 1 to 5, however, do not constitute an audit and therefore I express no opinion on the performance measures included in the 2003-2004 *Annual Report of the Ministry of Government Services*.

Fred J. Dunn
FCA
Auditor General

Edmonton, Alberta
July 30, 2004

Results Analysis

Introduction

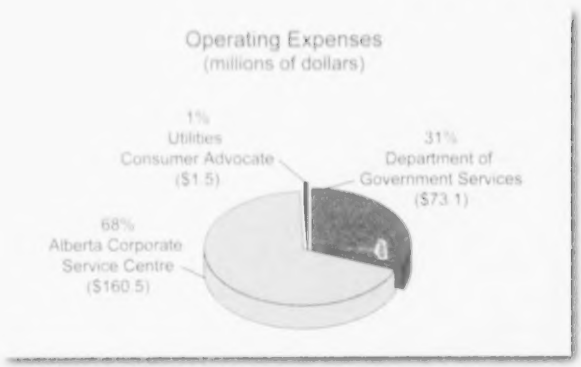
During 2003-04, the ministry went through some organizational changes, which included the creation of the Utilities Consumer Advocate. As a result of these changes, Government Services now has a deputy minister dedicated to each of the three service areas.

Minister
Deputy Minister Department of Government Services
Deputy Minister and CEO Alberta Corporate Service Centre
Deputy Minister Utilities Consumer Advocate

The Results Analysis component of this annual report will focus on each of the three service areas.

Department of Government Services

Operating expenses associated with this business area total $73.1 million or 31 per cent of the ministry's total. The Department of Government Services supports both ministry core businesses and all four goals outlined in the 2003-06 business plan.



Utilities Consumer Advocate

As this program was established mid-way through the year, actual expenses of $1.5 million reflect a partial year's budget (from October 2003 to March 2004). The Advocate is fully funded through industry contributions (i.e., Electricity Balancing Pool and natural gas distributors). This represents one per cent of the ministry's total expenses. The Utilities Consumer Advocate supports the core business of a fair and effective marketplace. Due to the timing of its creation, no goals specific to this service area were included in the 2003-06 business plan and no formal performance measures were identified. However, its key achievements are summarized later in this section.

Alberta Corporate Service Centre

The expenses incurred by ACSC represent the largest component of the ministry's operating budget at $160.5 million or 68 per cent. However, since ACSC's mandate is to provide efficient and economic shared services on behalf of the government, the bulk of these expenses are ultimately charged back to their client ministries. ACSC supports the ministry core business to lead service improvement initiatives on behalf of government and for 2003-06 had identified three specific goals within its own business plan (shown as an appendix to the Government Services plan).

Results and achievements for each of these service areas are identified in the next section.

Expense by Function

Ministries are required to identify, within a common framework, the government functions they support. This information is based on national standards to allow for inter-provincial comparisons and for determining federal funding eligibility. For 2003-04, the ministry identified two primary functions to which its expenditures could be attributed.

Operating Expense by Function
(millions of dollars)

	2002-03	2003-04			
	Actual	Estimates	Adjustments[1]	Authorized Budget	Actual
Protection of People and Property	62.9	71.3	2.1	73.4	74.6
General Government	158.4	155.9	4.8	160.7	160.5
	$ 221.3	$ 227.2	$ 6.9	$ 234.1	$ 235.1

[1] Adjustments include Supplementary Estimates, program transfers and encumbrances.

Department of Government Services

Core Business – Support a fair and effective marketplace in Alberta by providing licensing and registry services and promoting consumer protection.

Goal 1: Efficient licensing and registration services.

Overview

The ministry's registration and licensing services continue to win awards as they support Albertans in conducting diverse personal and business transactions. Whenever Albertans apply for or renew their Alberta driver's licence, register or search for information on land titles or apply for a birth certificate, they are accessing some of the many services and products offered by the ministry.

Registration and licensing services are delivered through a variety of channels designed to meet the unique needs of Albertans. The Registry Agent Network is the primary service provider, with 226 community-based business locations that provide registration and search services for motor vehicles, personal property, corporate registry, vital statistics and some land titles transactions. Albertans may also renew their vehicle registration through the Internet at a time convenient to them. In Edmonton, payments for bylaw fines, municipal taxes and pet licences can also be made at any registry agent office.

The Registries On-line (ROL) service is ideal for businesses that conduct a high volume of registration and search transactions pertaining to personal property, corporate registry and some land titles activities.

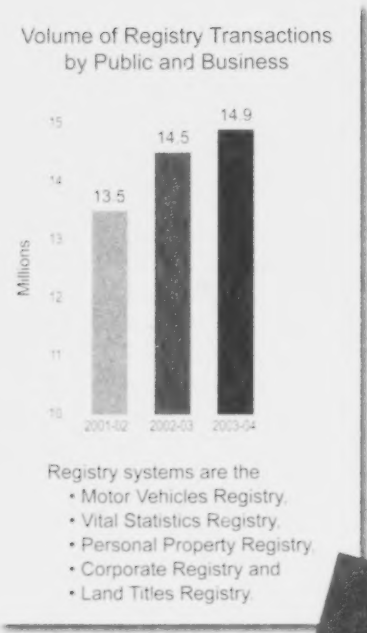
Government offices handle the more technical, complex and sensitive registry transactions. Specifically, the ministry's offices in Edmonton and Calgary process land title registrations, special motor vehicle services, highly complex corporate registry filings and business licensing activities.

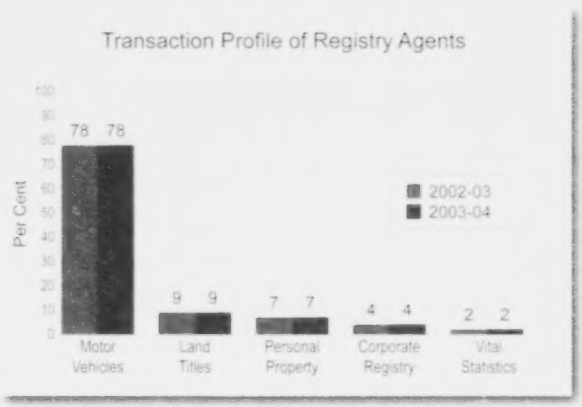
Providing licensing and registry services and the extensive information and communication infrastructure that it requires, consumed 25.7 per cent ($60.3 million) of the ministry's 2003-04 operating expense.

Activities/Achievements

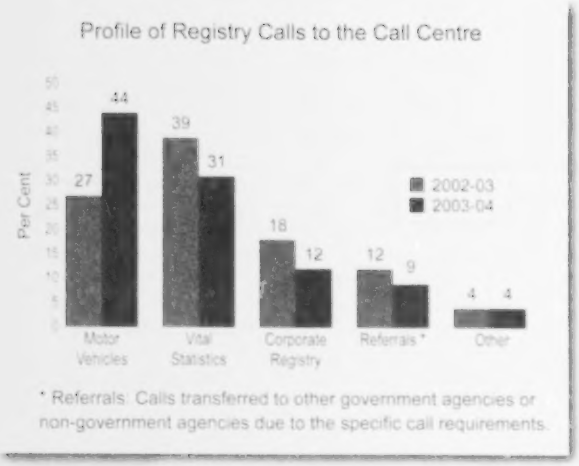
Quality information and services are accessible, secure, accurate and reasonably priced.

- ✓ Processed more than 14.9 million transactions through the ministry's registry systems on behalf of Alberta consumers and businesses, which represents a three per cent increase over the 14.5 million transactions handled in 2002-03.
- ✓ Increased registry transactions were realized in the land titles program where escalating demands for registrations resulted in increased turnaround times. Land titles staff have strived to maintain the best turnaround times in the country by completing record transaction volumes, (e.g., a peak in January of over 96,000 completed registrations).
- ✓ Managed the Registry Agent Network which delivers more than 46 per cent of all registry transactions. Agents are located in nearly every city and major rural area across the province, as illustrated in the map below. The registry agents' primary source of business (i.e., 78 per cent) continues to be motor vehicles transactions.





- ✓ Answered nearly 93,000 calls related to the ministry's licensing and registration services. Unlike the prior year, the majority of calls in 2003-04 were related to motor vehicles (44 per cent) which likely resulted from legislative and program changes (e.g., new Alberta driver's licence and Graduated Drivers Licence Program). As indicated in the following exhibit, vital statistics inquiries also account for a large proportion of contacts to the call centre (31 per cent).



Customer Profile

Registry calls to the call centre

The call centre helps thousands of Albertans each year by answering their questions about registry transactions or issues. Through a random telephone survey of callers who contacted our call centre, we have found that callers:

- ✓ Are usually female (67 per cent);
- ✓ Tend to have some post-secondary training (69 per cent); and
- ✓ Are likely to be in the 25-44 age range (58 per cent).

- ✓ Successfully implemented the award-winning Alberta driver's licence that is now the most secure document of its type in North America. Co-ordinated initiatives to further enhance registry security and protect personal identity:

  - Began work on integrating facial recognition into the licensing process and expect to roll out in the next year.
  - Introduced a new identification policy to validate clients and to ensure integrity of motor vehicle registry enrolment process and associated data.
  - Conducted training and on-site compliance reviews of registry agents regarding the implementation of new security policies (e.g., mandatory monitored alarms and system security).
  - Participated in a Government of Canada initiative to reduce the number of fraudulent passports issued by providing the department's vital statistics data to validate the accuracy of birth records supplied by applicants.

- Received three Public Affairs and Consumer Education awards from the American Association of Motor Vehicle Administrators for the driver's licence program including the public relations marketing campaign, an informational video for registry agents and law enforcement and for related print materials. The awards recognized the creativity, cost-effectiveness and ability to reach consumers with informative messages.

✓ Continued to make progress in renewing the personal property, land titles and motor vehicle registries under the Registries Renewal Initiative (RRI):

- Implemented online search services for land titles certified titles.
- Completed stakeholder discussions for the Motor Vehicles Registry.
- Finalized the personal property system design.
- Enhanced the business architecture to support common services (i.e., financial and security components) reflecting the ministry's role in co-championing the government's Information and Communication Technology (ICT) Initiative.
- Strengthened various planning, project management and control processes to improve productivity, accuracy of cost projections and support risk management.

✓ Identified potential opportunities to use the land titles system to deliver other ministry's electronic land information products or services (e.g., survey field notes for Alberta Sustainable Resource Development).

✓ Supported the joint efforts of the Alberta Registry Agents Association and the Alberta Motor Association to implement the Internet fines project that will allow Albertans to pay fines owing to the government via the Internet.

✓ Participated with Alberta Finance and Alberta Transportation in preparing various discussion papers and briefings on automobile insurance reform. Enhanced the level of service provided to insurance companies by increasing the frequency of (batch) driver abstract searches.

✓ Collaborated with Alberta Transportation in rolling out the new Graduated Drivers Licensing Program.

✓ Continued to support the Maintenance Enforcement Program by withholding registry services for delinquent account holders and registered maintenance orders on the Personal Property Registry.

- ✓ Protected vital records by planning and testing business resumption activities in the event of a catastrophic event.
- ✓ Licensed 5,991 Alberta businesses.

Are you starting a business?

The following businesses are directly licensed or registered by the ministry. Visit **www.gov.ab.ca/gs** for more information:

- Auctions
- Commercial Cemeteries
- Cemeteries and Mausoleums (registered)
- Cemetery Pre-need Contract Sales
- Cemetery Pre-need Contract Salespeople
- Charitable Organizations
- Collection Agencies
- Collectors
- Co-operatives
- Direct (Door-to-Door) Sellers
- Electricity Marketers
- Employment Agencies
- Fund-raising Businesses
- Natural Gas Direct Marketers
- Prepaid Contractors
- Retail Home Sales (mobile homes, modular homes and packaged homes)
- Travel Clubs

The ministry also maintains legislation for the following strategic partners to licence specific businesses:

- Alberta Motor Vehicle Industry Council licenses the automotive industry (sales, leasing, repair and consignment sales).
- Alberta Funeral Services Regulatory Board licenses funeral service providers (businesses, directors, embalmers, pre-arranged funeral plans and crematories).
- Real Estate Council of Alberta licenses real estate agents, brokers and property managers.

Legislation meets ever-changing needs.

- ✓ Created the *Access to Motor Vehicle Information Regulation* through extensive stakeholder consultation. This regulation takes effect in May 2004 and strikes a balance between privacy concerns and the legitimate needs for information from the Motor Vehicle Registry. The standards established in this regulation address recommendations made by the Select Special Freedom of Information and Protection of Privacy Act Review Committee as well as an audit conducted by the Auditor General and Information and Privacy Commissioner.
- ✓ Consulted with Alberta Transportation on amendments to the *Operator Licensing and Vehicle Control Regulation* to allow for the issuance of an interim and permanent driver's licence.

- ✓ Obtained stakeholder feedback on enhancements to the *Business Corporations Act* regarding liability and residency requirements.
- ✓ Initiated research on the potential development of legislation for unlimited liability companies in Alberta.
- ✓ Amended the *Real Estate Act* and *Ministerial Regulation* to include standards of conduct, education, certification and liability insurance for licensed appraisers through consultation with the Real Estate Council of Alberta and the Alberta Association of the Appraisal Institute of Canada.
- ✓ Passed amendments to the *Law of Property Act* to provide a level playing field for all agencies that insure high ratio mortgages.
- ✓ Worked with Alberta Justice and other ministries to amend 17 legislative acts to protect the safety and security of Albertans. Recognized by Alberta Justice for ensuring Albertans' security through the *Security Management Statutes Amendment Act* (2002 Team Award) and received a Certificate of Achievement for contributions on the Security Bill project.

Performance Measure — Goal 1

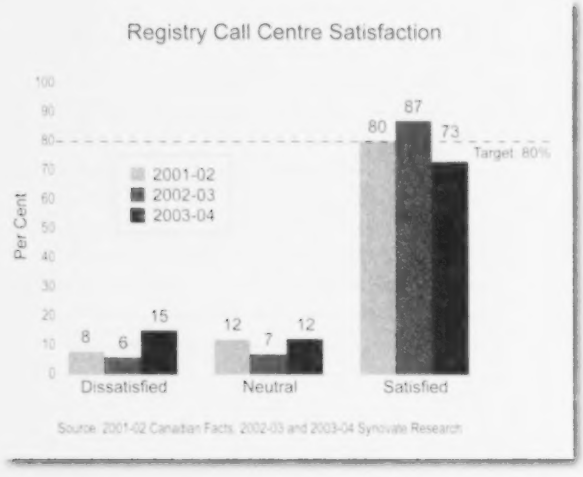
Performance Measure: Percentage of ministry call centre clients who are "satisfied overall" with the quality of service provided to them.

Description

The Government Services call centre responds to two different streams of inquiries: questions related to registry transactions and issues and questions related to consumer issues. This measure focuses on client satisfaction with respect to registry related calls and demonstrates the ministry's commitment to customer service. Registry related inquiries include questions on available registry products (e.g., vital statistics certificates, driver's licences, vehicle registration), business licensing and corporate registry requirements.

Results

73 per cent (key performance measure) satisfaction with the registry related services provided, which is below the target of 80 per cent.



Analysis

The call centre is responding to increasingly complex inquiries, particularly those pertaining to legislative changes (e.g., *Traffic Safety Act* and Regulations, *Adult Interdependent Relationship Act* and the *Security Management Statutes Amendment Act*) and program changes (e.g., Graduated Driver Licensing Program and Driver's Licence and Identification Card Program). Over 92,000 calls were answered, which is an increase of approximately 8 per cent or 7,000 calls from the prior year. This increased call volume as well as the more complex nature of the inquiries resulted in longer on hold times for clients. Consequently, satisfaction is significantly lower than in prior years. However, those who were satisfied with their call centre experience cited helpful and knowledgeable staff as the key reason for their satisfaction.

The department is reviewing the call system process to identify opportunities to improve service. For example, staff are being cross-trained so they can more effectively handle the diverse registry related calls. As well, staff are coached on call centre best practices that support more effective issue resolution. Client satisfaction feedback can also be obtained immediately so that any required remedial action is timelier.

Performance Measure: Percentage of customers who are "satisfied overall" with services provided by:

- Registry agents
- Registries On-line (ROL)
- Land titles office

Description

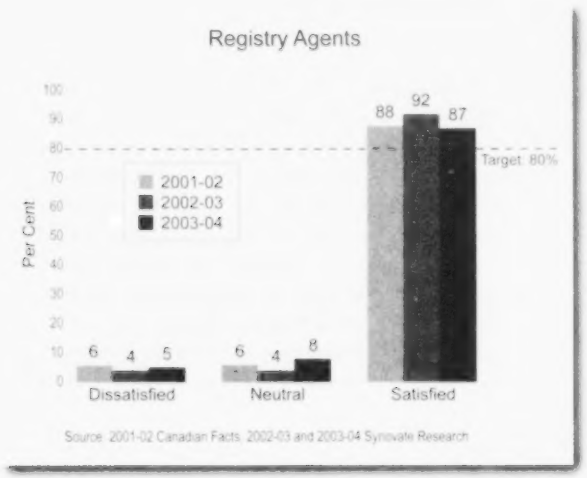
A key measure for Goal One, Efficient Licensing and Registration Services, is client satisfaction with services provided through the registry agents, Registries On-line and land titles delivery channels. Target satisfaction rates for registry agents and the land titles office are both 80 per cent and the Registries On-line delivery channel is set at 85 per cent.

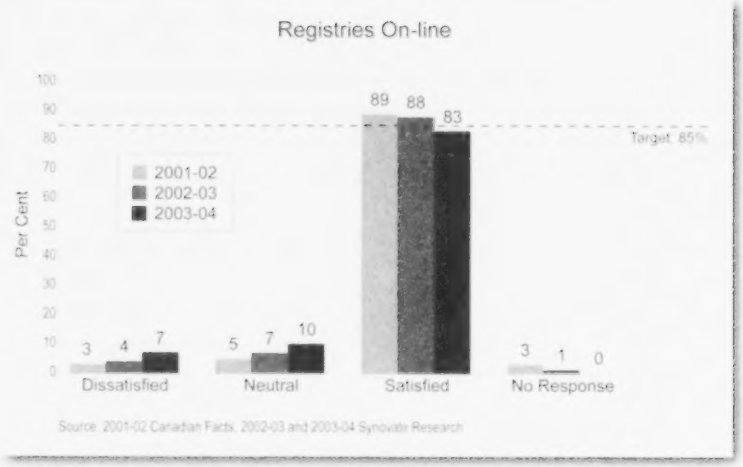
Results

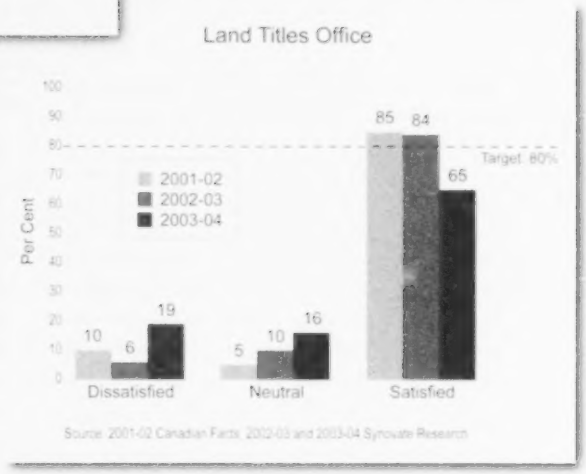
Results for this measure are:

- Registry agents: **87 per cent (key performance measure)** satisfaction with the service provided.
- Registries On-line: **83 per cent (key performance measure)** satisfaction with the level of service.
- Land titles office: **65 per cent (key performance measure)** satisfaction with the registration process.

Client satisfaction with services provided by registry agents exceeded the target of 80 per cent, while at 83 per cent, satisfaction with Registries On-line substantially achieved the 85 per cent target. Satisfaction with services provided by the land titles office was below the 80 per cent target.







Analysis

The robust and growing Alberta economy puts pressure on these service delivery channels as customer demand for services continues to increase. To illustrate, in 2003-04, registry transaction volumes increased by 0.4 million (from 14.5 million to 14.9 million).

Although there was a slight decrease in client satisfaction with registry agents, the 80 per cent target was surpassed. This high rate of satisfaction highlights the relatively smooth transition Albertans experienced with the implementation of the new driver's licence production process. To sustain our pattern of high client satisfaction, various agent accreditation and training programs are being developed.

Although Registries On-line saw satisfaction ratings decline marginally to 83 per cent, this is not significantly below the 85 per cent target. Satisfaction may have been influenced by more stringent access qualification criteria to promote security within the online services. Furthermore, billing layout changes may have caused some confusion and possibly contributed to reduced satisfaction ratings.

In addressing these concerns, a comprehensive project to deal with billing issues is being implemented. The method to direct Registries On-line callers is being modified to ensure that callers are matched to staff with appropriate expertise.

The significant decrease in satisfaction with land titles transactions can be attributed to the increased turnaround times for land title processing which has resulted from record registration volumes, (i.e., up 30 per cent from 2000-01). However, it is important to note that satisfaction with the work of the land titles office staff has remained stable with consistently high ratings. To address the ongoing demand for land title services and improve turnaround times, the ministry was successful in securing additional funding to increase staff resources. Due to the lengthy and intensive training required, however, actual capacity to process additional transactions will not be available until well into 2004-05. In the meantime, the ministry continues to make use of staff overtime and operational enhancements as a means of addressing this issue.

Performance Measure: Comparison of Alberta's fees to other jurisdictions on key motor vehicle transactions (vehicle registration and driver's licence).

Description

In contributing to an effective marketplace and the Alberta Advantage, the ministry strives to maintain a nationally competitive registry fee structure. To illustrate the competitiveness of Alberta motor vehicle fees, the cost of registering a vehicle and renewing a driver's licence were compared on a standardized national basis. The target is that Alberta's fees[1] are competitive with the national average.

Results

The results of the fee comparison indicated the target has been met as Alberta's fees for these products are competitive with national standards:

- The vehicle registration fee in Alberta is **22 per cent (key performance measure)** below the national average.
- The driver's licence renewal fee is **25 per cent (key performance measure)** below the national average.

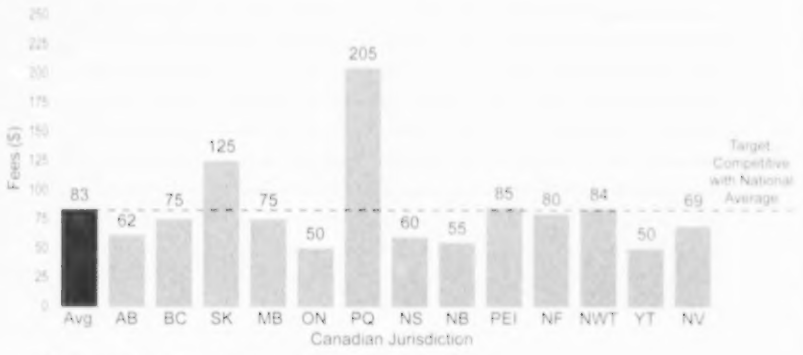
[1] Please note that "fees" in this analysis represents all associated charges that must be paid by the consumer to acquire the service. This includes all provincial/territorial government fees, taxes, and service charges.

Vehicle Registration Comparison*

Source: 2003-04 Alberta Government Services Cross-Jurisdictional Fee Comparison

*Survey was standardized for comparative purposes to represent the annual fee charged to renew a Ford Taurus sedan weighing 3,294 pounds in an urban area (includes service/administrative fees).

Driver's Licence Comparison*



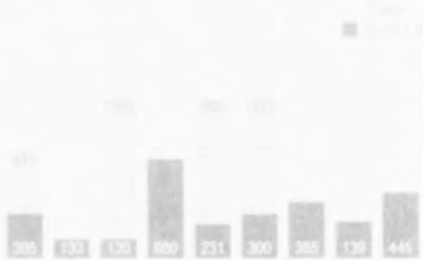
Source: 2003-04 Alberta Government Services Cross-Jurisdictional Fee Comparison

*Survey was standardized for comparative purposes to represent the five-year renewal fee for a driver's licence with no demerits (includes service/administrative fees). In prior years the comparison was based on a one-year renewal term. However, to ensure this measure reflects the renewal option chosen by the majority of Albertans, the standardized scenario for this fee comparison was modified to compare costs for renewing a driver's licence on a five-year basis.

Analysis

The ministry continues to maintain very competitive fees for motor vehicle licensing and registration in comparison to other Canadian jurisdictions.

82
per cent below (key performance measure)



Performance Measure: Comparison of Alberta's fees to other jurisdictions on registration costs associated with purchasing a $150,000 house with a $140,000 mortgage.

Description

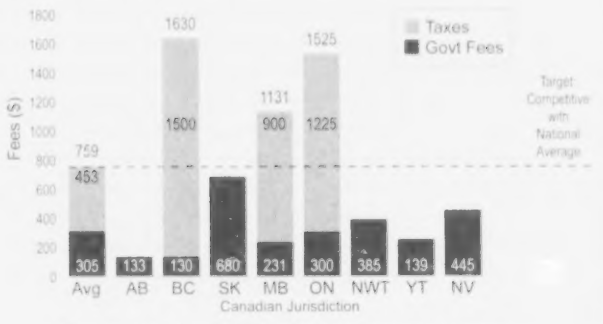
The ministry helps support a robust real estate market by ensuring that land titles products are priced competitively with other jurisdictions. Because each jurisdiction incorporates different requirements and products in their land registration process, this measure reflects a standardized approach by comparing a common set of five products required to purchase and register a home with a mortgage. The target is to ensure Alberta's fees[2] are competitive with national standards.

Results

The cost in Alberta for this service (sum of all five products) is $133. At **82 per cent below (key performance measure)** the national average, the target has been met.

Land Title Fee Comparison*

*Represents the total cost of five provincial/territorial government services typically required to legally purchase a $150,000 house with a $140,000 mortgage. To ensure comparability, only provinces using the Torrens Land System were included. To reflect the complete end cost to consumers, the cost of provincial land taxes charged in BC ($1,500), Manitoba ($900), and Ontario ($1,225) has been added to the total government fees.



Source: 2003-04 Alberta Government Services Cross-Jurisdictional Fee Comparison

Analysis

Alberta continues to have nearly the lowest overall land title fees compared to other jurisdictions, which further indicates this ministry's support for promoting a prosperous Alberta economy.

[2] Please note that 'fees' in this analysis represents all associated charges that must be paid by the client to acquire the service. This includes all provincial government fees, taxes, and service charges.

Performance Measure: Comparison of Alberta's fees to other jurisdictions on:

- Collection agency licence.
- Direct selling licence.

Description

This measure compares Alberta fees for certain business licences to other Canadian jurisdictions. Licences that were determined to be most reflective of marketplace demand in the province are:

- Collection agency licence; and
- Direct selling licence.

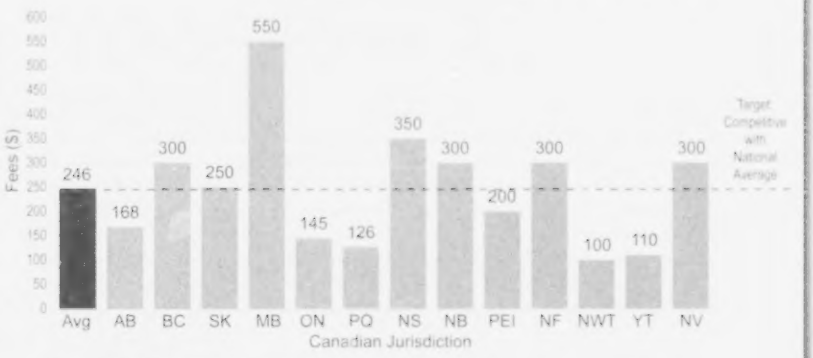
The target is that Alberta's fees[1] are competitive with the national average.

Results

- The collection agency licence fee in Alberta is **32 per cent below (key performance measure)** the national average.
- The direct selling licence fee in Alberta is **13 per cent below (key performance measure)** the national average.

Both fees are therefore competitive with the national average.

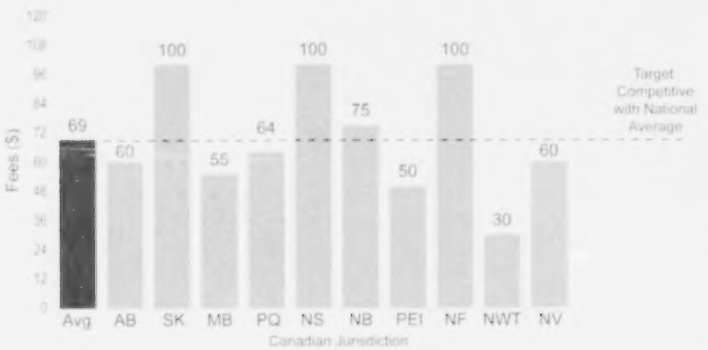
Collection Agency Licence Fee*



Source: 2003-04 Alberta Government Services Cross-Jurisdictional Fee Comparison

*The minimum annual fee charged for a collection agency licence in each Canadian jurisdiction (either a new licence or a renewal, whichever was lower, regardless of company size) was compared.

[1] Please note that "fees" in this analysis represents all associated charges that must be paid by the client to acquire the service. This includes all provincial government fees, taxes and service charges.



Source: 2003-04 Alberta Government Services Cross-Jurisdictional Fee Comparison

*The minimum annual fee for a direct seller licence charged to sole proprietors, partnerships, or corporations, as compared across jurisdictions. To ensure comparability, only those jurisdictions who provide a comparable direct sellers licence are included.

Analysis

The ministry has maintained the competitiveness of its licensing fees compared to national averages as it continues to support a prosperous, business friendly economy. Compared to prior years, a few jurisdictions have reduced their fees, which has made the national averages of these fee categories more competitive with Alberta. ■

Goal 2: Informed consumers and businesses and a high standard of marketplace conduct.

Core Business — Support a fair and effective marketplace in Alberta by providing licensing and registry services and promoting consumer protection.

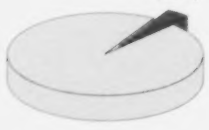
Overview

A key focus of the ministry is to educate and protect consumers. Initiatives are aimed at improving the awareness of consumers and businesses about fair business practices. As well, the ministry creates and manages consumer legislation as a framework for promoting fair and ethical business transactions. Although the ministry has many acts and regulations to guide marketplace activity, the *Fair Trading Act* continues to be the legislative flagship for Alberta consumers and businesses.

This legislation is also used in concert with educational programs to promote consumer awareness. Examples include tipsheets on key consumer issues and the provision of services through a toll-free call centre and website. Consumers and businesses receive plain language information on their rights and obligations, which in turn facilitates commerce and fosters a strong marketplace.

The ministry also continually interacts with other jurisdictions nationally and internationally to identify potential marketplace scams that may come to Alberta. A key tool is the CANSHARE system that allows jurisdictions to share information about marketplace problems.

High Standard of Marketplace Conduct
(millions of dollars)



The ministry allocated 3.8 per cent (or $9.0 million) of its total 2003-04 operating expense to carry out the legislative, education, monitoring and investigative duties associated with this goal.

As a result of its efforts, the ministry was recognized by the National Association of Consumer Agency Administrators when it received the 2003 Consumer Agency Achievement Award for its innovative approach to enforcement and consumer education.

Did you know?

By visiting the ministry's website (**www.gov.ab.ca/gs**) consumers can access a wide range of services, such as:

- The latest consumer information alerts;
- How to order a birth certificate;
- Online vehicle registration renewal; and
- Tipsheets on key consumer issues.

You can also reach us toll-free within Alberta at **1-877-427-4088.**

Strategic Partners

The ministry also maintains strategic partnerships with the following organizations that regulate specific industries or provide services to consumers:

Credit Counselling Services of Alberta (www.creditcounselling.com) Educates Albertans in personal money management and wise use of credit and provides alternatives to bankruptcy for individuals and families facing financial crises.

- $9.2 million repaid to creditors as a result of counselling clients
- 1,087 Orderly Payment of Debts files opened
- 20,907 calls from the public addressed
- 2,381 assessments of client financial situations to determine options
- 3,471 participants at workshops

Real Estate Council of Alberta (www.reca.ab.ca) Sets and enforces standards of conduct in the real estate industry, protects consumers affected by the industry, provides services that enhance the industry and administers the governing legislation, bylaws and rules.

- 9,807 licences issued
- $3.9 million surplus in the Real Estate Assurance Fund
- 7,540 public calls handled
- 132 compliance audits on businesses undertaken
- 333 disciplinary actions taken

Alberta Funeral Services Regulatory Board (www.afsrb.ab.ca) Licenses, educates, investigates, mediates, enforces and disciplines the funeral industry and its governing legislation.

- 756 licences issued
- 32 complaints handled
- 86 inspections completed

Alberta Motor Vehicle Industry Council (www.amvic.org) Administers automotive licensing regulations, investigates and mediates automotive complaints and handles inquiries related to the automotive industry.

- Almost $1,530,000 in restitution provided to consumers since AMVIC's inception
- 5,314 complaint calls answered
- 359 investigation files opened
- 168 charges laid
- Court fines totalling $8,400
- Court-ordered restitution totalling $648,410
- 4,603 businesses licensed at March 31, 2004
- 6,481 sales people licensed at March 31, 2004
- Three business licences revoked and 492 suspended

Activities/Achievements

Strong legislative framework supports a fair and changing marketplace.

- ✓ Amended the *Residential Tenancies Act* to strike a stronger balance between the rights and responsibilities of landlords and tenants, created a framework for voluntary dispute resolution and worked on a code of practice. Additional amendments will ensure that rental properties continue to meet *Public Health Act* (PHA) standards throughout the tenancy period.
  - Formed the Alberta Residential Tenancies Advisory Committee (ARTAC) in December 2003 to advise the ministry on residential tenancies sector matters and provide input for the amendments to the *Residential Tenancies Act*.
- ✓ Amended the *Natural Gas (Fair Trading Act) Marketing Regulation* to protect residential and small commercial consumers by streamlining rules for marketing natural gas, clarifying disclosure requirements for marketing contracts, improving cancellation rights and including provisions for marketing over the Internet.
- ✓ Reviewed the impact of the new *Family Law Act* on vital statistics legislation to ensure guardianship, and not custody, drives rights.
- ✓ Worked with the national Consumer Measures Committee to develop the Canadian Code of Practice for Consumer Protection in Electronic Commerce, which addresses provision of clear information, payment security and merchant dispute resolution policies/process.
- ✓ Consulted with consumers on the need for financial safeguards and protection issues related to the purchase of travel services. Presented recommendations for a strategy that balances a made-in-Alberta approach with a more effective cross-jurisdictional solution.
- ✓ Provided support to the Alberta Vehicle Theft Working Committee, which developed comprehensive recommendations for dealing with the issue of vehicle theft. The Standing Policy Committee on Justice and Government Services approved the establishment of the Alberta Vehicle Theft Advisory Committee to coordinate the inter-agency cooperation dealing with anti-vehicle theft initiatives and to prepare implementation plans for the recommendations contained in its report titled "Strategies for Reducing Vehicle Theft in Alberta."
- ✓ Participated on the Vehicle History Committee and the Joint Operations and Security Committee. One potential outcome is the ongoing exploration of opportunities to partner with firms such as CarProof, Carfax and Experion to make vehicle history information available through registry agent offices.

Highlights from our Legislation

Alberta Government Services consumer protection legislation is the foundation that ensures a fair and growing marketplace in Alberta and supports the Government of Alberta's goal of a prosperous economy. The ministry continually reviews and amends legislation to meet emerging consumer needs and issues as they arise.

2003-04 highlights include:

- ✓ Updated *Residential Tenancies Act* to provide clearer, more flexible legislation for landlords and tenants;
- ✓ Amended the *Natural Gas Marketing (Fair Trading Act) Regulation* to provide additional consumer protection; and
- ✓ Consulted Albertans on amendments to the *Fair Trading Act*.

Support consumer and business confidence through monitoring and enforcement.

- ✓ Completed 1,971 consumer investigations in 2003-04. A total of 1,104 new and pending charges are before the Alberta courts, with six undertakings signed to comply with legislation. Fines of $148,750 have been levied by the courts. More than $780,000 was returned to Albertans through court-ordered restitution, bond claims and settlements reached by Government Services staff. In addition, $163,000 was returned to trust accounts in the course of investigations in 2003-04.

- ✓ Conducted inspections and distributed notices to landlords regarding non-compliance and required corrective actions. Nineteen reviews completed to date identified nine trust account shortfalls; and $574,000 was returned to trust accounts as a result of proactive compliance reviews.

- ✓ Inspected the secondary financing marketplace to assess compliance with Cost of Credit requirements under the *Fair Trading Act*.

Holding Money in Trust for Consumer Protection

Trust accounts hold money that belongs to Albertans who have:

- ✓ Deposited it with regulated businesses for specified future services, such as prepaid funeral and burial services;
- ✓ Provided a landlord with a security deposit;
- ✓ Consigned goods with an auctioneer for sale; or
- ✓ Given money to a collection agency to pay a debt.

The trust account ensures the money is set aside for its specific purpose. It cannot be used by the business for its day-to-day expenses and it cannot be seized by creditors if the business fails. The ministry's legislation requires trust accounts to be established and the ministry monitors the accounts, investigates when necessary, and works to ensure that money taken on deposit is securely held. There is currently more than **$1.2 billion** in these trust accounts.

- ✓ Worked with Alberta Justice, Alberta Transportation and the Alberta Special Constables Association (ASCA) to provide more effective enforcement and awareness on issues that concern more than one ministry (e.g., worked on household moving complaints with Alberta Transportation).

- ✓ Joined forces with Canadian and American law enforcement and consumer agencies by signing a Memorandum of Understanding to address cross-border deceptive marketing practices affecting consumers (e.g., co-ordinate law enforcement activities, identify fraudulent and misleading marketing practices and support law enforcement actions).

- ✓ Increased controls and legislation for the funeral services industry. For example, strengthened the cemetery and crematory operator's responsibilities, introduced new licensing requirements, required greater disclosure, specified record keeping requirements for pre-need contracts and added a code of conduct for funeral homes.

- ✓ Worked with cooperatives to assist them in meeting the requirements of the *Co-operatives Act*.
  - Created a handbook to assist new cooperatives and newly elected directors.
  - Communicated requirements for continuance documentation and assisted co-operatives that have had difficulty in complying.

- ✓ Continued work with other departments, industry and the Charitable Advisory Committee to implement Alberta Charities Round Table recommendations. Provided support to charitable organizations by:
  - Publishing articles in charitable organization newsletters outlining requirements under the *Charitable Fund-raising Act*.
  - Ensuring solicitation disclosures included fund-raising targets and the associated costs.
  - Reviewing financial statements to ensure legislative compliance regarding amounts paid to fund-raising employees.
  - Amending the *Charitable Fund-raising Regulation* to increase the minimum amount of gross contributions that trigger the requirement for an audit of financial statements.

- ✓ Implemented a proactive test shopping plan for computer repair, Internet sales, contract regulations and home renovations to identify non-compliance with the *Fair Trading Act*.

Protecting Albertans from Marketplace Violations

Government Services works to ensure a competitive and fair marketplace for consumers and businesses through the *Fair Trading Act*. The combination of effective consumer legislation and diligent enforcement activities in 2003-04 resulted in:

- A total of more than 1,900 investigations undertaken;
- In excess of $750,000 being returned to consumers; and
- More than 671 prosecution counts filed.

The department continues to consult with Albertans on enhancements to keep the act responsive to marketplace issues.

Consumer Legislation and Enforcement at Work

- In October 2003, a home renovation contractor was fined a total of $83,000 – the largest fine ever imposed under the *Fair Trading Act* – and was ordered to pay $73,000 in restitution.
- An unlicensed prepaid contractor who targeted seniors received a two year jail term, the maximum penalty under the *Fair Trading Act*.

For more information, see the Alberta Government Services news releases at www.gov.ab.ca/gs/information/whats_new/news_releases_ca.cfm

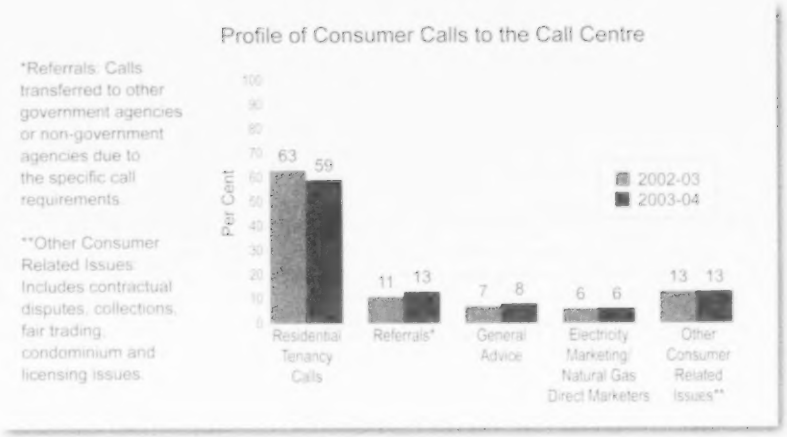
Customer Profile

Consumer Calls to the Call Centre

The call centre helps thousands of Albertans each year with their questions about consumer issues and complaints. Through a random telephone survey of callers who contacted our call centre, we have found that callers:

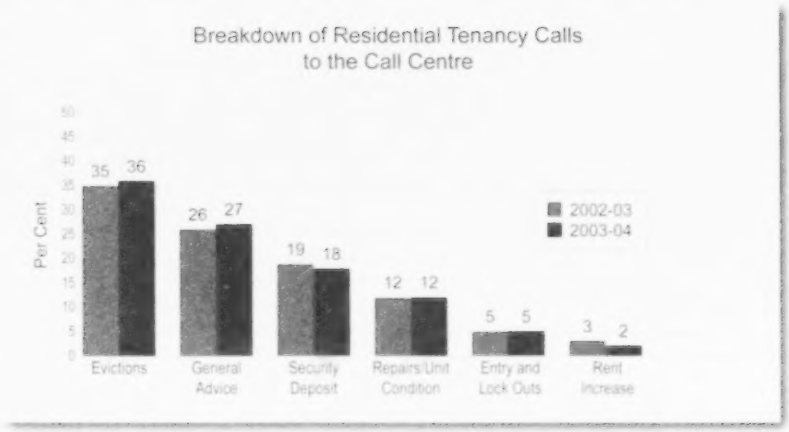
- ✓ Are usually female (62 per cent);
- ✓ Are between the ages of 25-44 (51 per cent); and
- ✓ Tend to have some post-secondary training (61 per cent).

✓ Responded to 86,824 consumer-related calls. As the following chart indicates, the majority (59 per cent) of calls in 2003-04 were related to residential landlord and tenant issues. Of those, questions about evictions, general advice and security deposit issues were most frequent.



Call Centre Customer Comments

- "...They were really good and helpful, if I had any questions she referred me to online documentation I could read about, she gave me every avenue possible for the research into my question. She was very friendly and she smiled - you could tell, and if I had any questions just to call her back..."
- "...She answered my questions and she took the time to listen to me, she was knowledgeable..."
- "...I got all the information I needed, they were very considerate, not quick or abrupt..."
- "...They just told me what I could do about the situation and that's what I did, and it worked..."
- "...They provided everything that I needed and saved me a lot of time..."
- "...Got quick service, everything was done right away and the people were easy and pleasant to deal with..."
- "...The person was very helpful and courteous. The response was very quick. I got the information that I needed faxed to my home within 30 minutes..."



Consumers and businesses are informed and empowered to help themselves.

- ✓ Ensured a strong relationship with the Better Business Bureau through ongoing information exchange and cross-referrals (i.e., legislative consultations, consumer issues and alerts).
- ✓ Participated on the Seniors' Fraud Awareness Committee.
- ✓ Distributed more than 1,200 copies of *Reality Choices Alberta*, a new consumer resource based on a federal/provincial/territorial publication, to help young Albertans make consumer decisions appropriate for them in today's complex and rapidly changing marketplace.
- ✓ Issued consumer alerts to caution Albertans on unscrupulous businesses and provided tips for dealing with a variety of marketplace issues.
- ✓ Provided articles on the *Residential Tenancies Act* for the Calgary Apartment Association's newsletter.
- ✓ Provided tipsheets to Albertans through the ministry website. The tipsheet page received 216,900 hits in 2003-04.
- ✓ Developed a universal identity theft statement, in partnership with law enforcement agencies, consumer groups and the private sector, that can be used by victims to notify most major creditors of what has happened.

Helping Alberta Consumers

Client Comments

"I am writing to express to you my enormous gratitude and thanks for all of the dedicated effort and work your [investigative staff] has performed on my behalf . . . . .She has tirelessly and unceasingly worked to prevail upon my difficult case, and in the end, the only reason I prevailed is because of [her]."

Free Tipsheets Available to Albertans

Government Services publishes tipsheets on a wide variety of consumer topics. Written in plain language, these tipsheets explain the rights and obligations of both consumers and businesses in various commercial transactions.

- *Auctions – Buying and Selling*
- *Business Opportunity and Franchise Fraud*
- *Buying a Franchise in Alberta*
- *Buying and Owning a Condominium*
- *Buying Time Shares*
- *Cooperatives Act: An Overview*
- *Credit and Personal Reporting*
- *Dealing with Bill Collection Agencies*
- *Dealing with Door-to-Door Sales*
- *Electricity Marketing: What Consumers Should Know*
- *Fair Trading Act: What's New*
- *Home Renovations and Repair*
- *Identity Theft*
- *Investigating your Consumer Complaints*
- *Mobile Home Sites Tenancies Act: Renting a Mobile Home Site*
- *Natural Gas Marketing : What Consumers Should Know*
- *Negotiating a Consumer Complaint*
- *Provincial Business Licences and Registrations*
- *Shopping on the Internet*
- *The Charitable Fund-raising Act: Information for Charities and Donors*
- *The Residential Tenancies Act: Information for Landlords and Tenants*
- *Travel Clubs*
- *Unfair Practices: Fair Trading Act*
- *What Creditors Can Do If You Don't Pay Your Debts*

To receive any of these tipsheets, please visit the Alberta Government Services' website (www.gov.ab.ca/gs/information/publications/tipsheets/index.cfm) or call the call centre toll-free within Alberta at 1-877-427-4088 to have one mailed or faxed to you.

Performance Measures – Goal 2

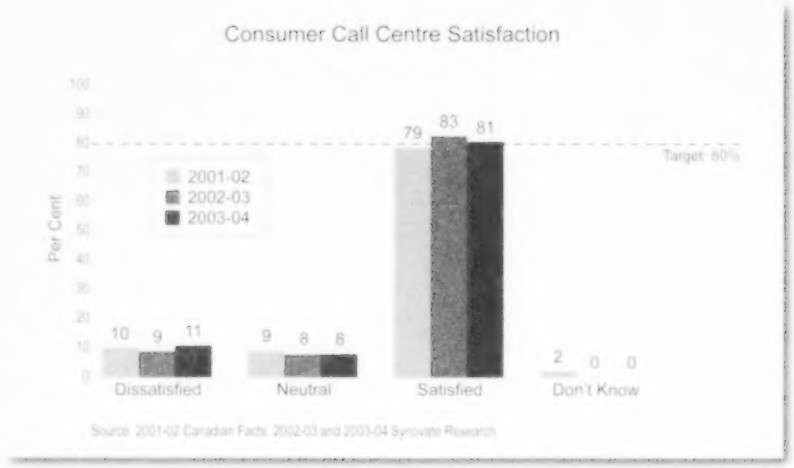
Performance Measure: Percentage of ministry call centre clients who are "satisfied overall" with the quality of service provided to them.

Description

The Government Services call centre responds to both registries and consumers related inquiries. This measure focuses on client satisfaction with calls related to consumer inquiries and consumer protection concerns ranging from residential tenancies to fair trading issues. This measure does not include calls directed to the new Utilities Consumer Advocate.

Results

81 per cent (key performance measure) of respondents are satisfied with the consumer-related service provided by the ministry call centre. The target of 80 per cent satisfaction has been met.



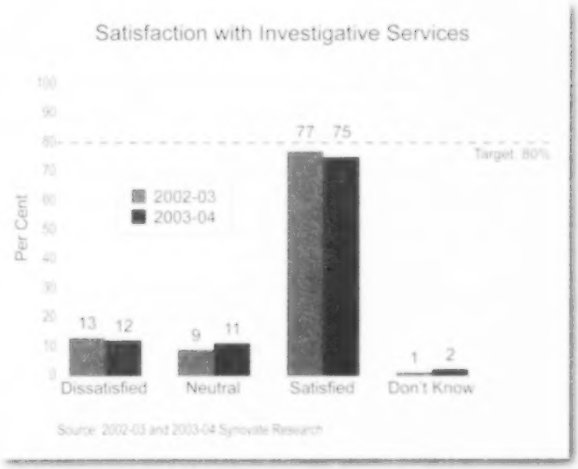
Analysis

Client satisfaction with the services provided by the call centre has remained relatively stable over the past three years and has met the 80 per cent target. This result has been achieved in spite of the increasing complexity of consumer issues handled by call centre staff (e.g., assisting consumers victimized by fraud or identity theft, dealing with landlords and tenants on tenancies issues). The ministry has exceeded its target while fielding over 86,000 calls this year.

Performance Measure: Percentage of clients who are "satisfied overall" with the quality of investigative services provided to them.

Description

Through the delivery of quality investigative services, the ministry ensures a fair and effective marketplace for consumers and businesses. This measure assesses Albertans' satisfaction with the services provided by the Consumer Services investigation team.



Results

75 per cent (key performance measure) of respondents were satisfied with how their investigation was handled.

Analysis

Client satisfaction with investigative services remains relatively high at 75 per cent, particularly given the potential for distortion if the client is not happy with the outcome of the investigation and provides a dissatisfied rating. To illustrate, respondents who felt the outcome of the investigation was fair had a 95 per cent satisfaction rating. Even though only 57 per cent had a decision in their favour, an overwhelming 90 per cent of all respondents reported that they are likely to recommend the services of the ministry to a friend.

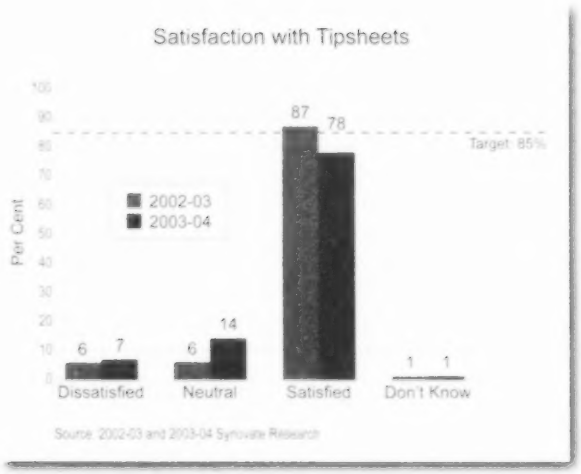
Performance Measure: Percentage of clients receiving consumer tipsheets who are "satisfied" with the overall quality of the information.

Description

As part of its objective to ensure a fair and effective marketplace, Consumer Services uses tipsheets to educate and promote well-informed consumers and businesses. With 24 tipsheets available, the ministry ensures that Albertans have access to relevant and effective consumer protection information. Additionally, Albertans are canvassed to ensure that tipsheet content continues to be useful and meets their information needs.

Results

78 per cent (key performance measure) of respondents indicated satisfaction with tipsheets which is below the target of 85 per cent.



Analysis

While a large majority of Albertans are satisfied with the tipsheets provided by Consumer Services, the target of 85 per cent satisfaction has not been met. However, the proportion of dissatisfied respondents only increased by one per cent compared to last year. The decreased satisfaction is likely related to stakeholder concerns with aspects of the current *Residential Tenancies Act*, as a high proportion of respondents (82 per cent) requested a related tipsheet. Revisions to the act, expected in the fall of 2004, will form the basis for the development of a new tipsheet. Despite the increasing complexity of today's consumer issues, 91 per cent of those surveyed find tipsheet content easy to understand. ■

Goal 3: A service environment that enables Albertans to access government information and services in a manner of their choice.

Core Business — Lead service improvement initiatives on behalf of the Government of Alberta to improve Albertans' access to government, ensure protection of privacy and promote advancements in information management.

Overview

Service Alberta is a government-wide service improvement initiative that reflects the commitment of every government department to providing Albertans with quality information and services in a manner that best suits their schedule and lifestyle. Whether the preference is to make a phone call, drop into a government office, use fax or mail, or dial up the Internet, the goal of Service Alberta is to make that connection as convenient as possible. It will take several years to completely reach that goal. However, progress is being made through the work done on the website and the Service Alberta call centre.

The designation of this initiative as an administrative initiative underlines the importance the Alberta Government places on customer convenience and flexible access to government services. It also helps to promote cross-government involvement with the program to ensure the broadest range of services and information is available to Albertans. During 2003-04, the greatest commitment by another ministry was through the Office of the Corporate Chief Information Officer, which demonstrated its support for this vital service initiative through funding and staff secondment. Other ministry champions include Alberta Municipal Affairs, the Public Affairs Bureau, the Personnel Administration Office and the Alberta Corporate Service Centre and most recently, Alberta Health and Wellness.

The ministry will continue to work on enhancing the telephone and website services and explore ways to improve the convenience of over-the-counter service experiences. Key to continuing this work will be the ongoing feedback provided by Albertans who have shaped the development of Service Alberta through surveys and focus groups. Some of the key messages included:

- Preferences for how information should appear on the website.
- A desire remains to continue to be able to contact government by telephone.
- A "one size fits all" approach won't work.
- Take this one step at a time, learn from experience and do it right the first time.

The ministry allocated 0.5 per cent (or $1.2 million) of its total 2003-04 operating expense to this goal.

How do I get there?

You can visit the Service Alberta website at **www.gov.ab.ca**. You will find government information and services organized in a way that makes sense to you. You don't have to know which government ministry to look up. Just find the topic that applies to you and let the website do the rest! For example, there is information on:

- ✓ Finding a job
- ✓ Moving to or around Alberta
- ✓ What to do if you lose your wallet
- ✓ Ordering government publications

There's a lot more. Visit the site to see how Service Alberta can help you find the information you need.

Activities/Achievements

Albertans' service needs are met in a positive manner.

How does the Service Alberta contact centre help Albertans?

The Service Alberta contact centre agents use the Service Alberta website to answer Albertans' questions more often on the first call. One-stop shopping is the goal for easy, convenient and secure access to government information and services for Albertans. Calling the Service Alberta contact centre will put you in touch with a real person who will either give you the information you need or link you to someone who can.

Call 310-0000
(toll-free anywhere in Alberta)
between 8 a.m. and 6 p.m. during the week.

- Promoted Albertans' awareness of Service Alberta through Internet and TV advertising, billboards and distribution of 250,000 postcards targeted to Aboriginal people, people with disabilities, new Albertans, parents, teachers and students.
- Received an average of 38,000 visits to the website per month during 2003. As a result of the Service Alberta media campaign and increased Service Alberta profile on the Government of Alberta homepage, the number of visitors increased to an average of 50,000 in January and February.
- Enhanced the Service Alberta website based on feedback from Albertans to make it easier to navigate the site and provided additional service bundle information (e.g., targeted to youth and rural development).
- Obtained feedback from Albertans through surveys, focus groups and website usability testing.
- Promoted service excellence across the public service and partnered in developing a new Service Excellence Award Program.
- Developed a speech automated survey system that allows government contact centres to easily and affordably capture client satisfaction data.

Albertans exchange information/conduct transactions in a secure environment.

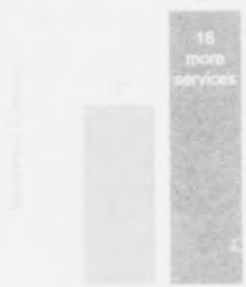
- Updated and circulated the Service Alberta accountability framework to key stakeholders.
- Collected feedback from Albertans on their privacy needs pertaining to conducting transactions with the Government of Alberta and responded by introducing a plain language privacy policy on the Service Alberta website.
- Collaborated with Alberta Innovation and Science and other ministries to begin development of a common service that provides secure access for conducting transactions via the Service Alberta website.
- Added 16 new transactional services to the Service Alberta website.

Albertans receive seamless and consistent service across all delivery channels.

- Gained agreement across ministries on common technology building-blocks to make more information and services available to Albertans through the website.
- Worked with ministries to develop a common change of address feature on the Service Alberta website.
- Worked with ministries to develop a strategy for enhancing telephone systems across the government.
- Based on feedback from Albertans, developed an online directory that provides locations, phone numbers and other contact information for all services offered by the Government of Alberta. The Directory of Services includes a mapping feature to help clients find the locations closest to them.

Performance Measures – Goal 3

16 additional (key performance measure) transactional services were available in 2003-04. This exceeded the target of 15 additional services.



With the co-operation of other ministries, 16 new transactional services were added to the Service Alberta website in 2003-04 including:

Applications For:

- Child Care Subsidy Program (Children's Services)
- NHL Players Tax Return Filing (Revenue)
- Diploma Examination Re-Write Fees (Learning)
- Tax Exempt Fuel Sales System (Revenue)
- Waterwell Drilling Report Submissions (Environment)

Ordering Documents On:

- Career Shop (Learning)

Finding Information on:

- Crown Surface and Mineral Rights Reports (Energy)
- Family Day Home Agency Lookup (Children's Services)
- Day Care Lookup (Children's Services)
- Recreational Access to Agricultural Public Land (AERD)
- Alberta Student Number Enquiry (Learning)
- Alberta Waitlist Registry (Health)
- Alberta Fine Payment System (Justice)
- Directory of Services (Service Alberta)
- Human Rights in the Workplace Workshops (Comm. Dev.)
- Alberta Personal Income Tax Calculator (Finance)

Performance Measures – Goal 3

Performance Measure: Number of additional transactional services offered to citizens and businesses through Service Alberta.

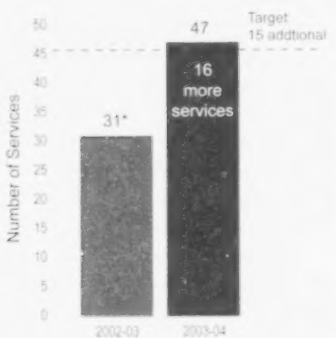
Description

Through Service Alberta, Albertans have access to various provincial government services. This measure assesses the number of transactional services available through the Service Alberta website as an indicator of the government's commitment to improving online access.

Results

16 additional (key performance measure) transactional services were available in 2003-04. This exceeded the target of 15 additional services.

Transactional Services



Source: Service Alberta Website (as of March 31, end of fiscal year)

* An additional transactional service not reported in the 2002-03 Annual Report has been included.

Analysis

With the co-operation of other ministries, 16 new transactional services were added to the Service Alberta website in 2003-04 including:

Applications For:

- Child Care Subsidy Program (Children's Services)
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- Directory of Services (Service Alberta)
- Human Rights in the Workplace Workshops (Comm. Dev.)
- Alberta Personal Income Tax Calculator (Finance)

As well, 24 information-based services were reclassified as transactional. These 24 transactional services are in addition to the 16 new services formally identified for this measure.

Through the continued support and participation of the ministries, additional services are planned to come online in 2004-05 as Alberta further expands and enhances its online services.

Performance Measure: Percentage of Albertans who are satisfied with their access to Government of Alberta information and services.

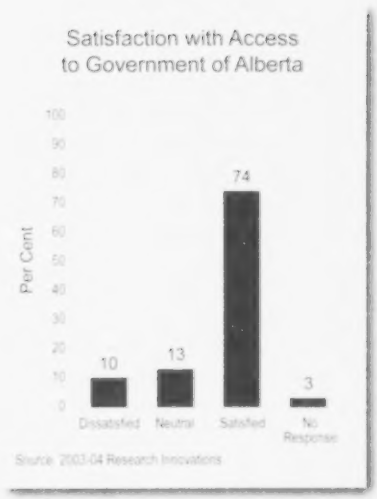
Description

A key objective of Service Alberta is to provide Albertans with accessible, integrated and quality services from the Government of Alberta. This measure surveys Albertans' overall satisfaction with their ability to access government services whether online, by telephone, by mail, by fax or in person.

Results

74 per cent (key performance measure) of respondents were satisfied with their ability to access government services.

As this was a new measure, a target was not identified in the 2003-06 business plan. Using the results shown here as a baseline, a target of 85 per cent has been set for 2004-05 in the 2004-07 Government Services Business Plan.



Analysis

Satisfaction among those who actually accessed or tried to access Government of Alberta information and services is high, with three quarters of respondents indicating they are "satisfied" with their ability to access information and services. The 85 per cent target for next year reflects the strong commitment to ensuring Albertans are satisfied with their ability to access government services. ■

Core Business — Lead service improvement initiatives on behalf of the Government of Alberta to improve Albertans' access to government, ensure protection of privacy and promote advancements in information management.

Goal 4: Effective management of and access to information, and protection of privacy.

In addition to providing excellent service to the public, Alberta Government Services also provides support services to other provincial ministries and government bodies.

Overview

Providing effective access to information, privacy protection and other service improvements for government consumed 1.1 per cent ($2.6 million) of the ministry's 2003-04 operating expense.

The ministry administers the *Freedom of Information and Protection of Privacy Act* (FOIP) and actively supports provincial ministries and local public bodies in fostering consistent interpretation and effective application of the act. The ministry is also responsible for the new *Personal Information Protection Act* (PIPA) and is working with the private sector to promote an understanding of the legislation and provide practical resources to assist organizations in applying the act.

Alberta Government Services also coordinates the Government of Alberta's information and records management programs. To ensure a consistent approach, an Information Management Framework is being implemented to support ministries in managing their information assets. The ministry also administers the Alberta Records Management Committee, which is responsible for approving record disposition schedules.

Through the Regulatory Review Secretariat and Government Rules Review Committee, the ministry supports removal of red tape and enhances the regulatory environment by promoting the review of provincial regulations.

Activities/Achievements

Freedom of Information and Protection of Privacy legislation is effective and support is provided to those administering the act.

- ✓ Amended FOIP to implement the recommendations of the Select Special FOIP Act Review Committee to improve the functioning of the act and support e-government and alternate service delivery by government.
- ✓ Developed a Bulletin to explain the amendments to the FOIP Act and revised various publications to reflect the provisions of the amended act.

- ✓ Provided advice on the access and privacy implications of significant legislative initiatives proposed by other ministries.
- ✓ Provided FOIP training to more than 640 participants from government and local bodies.
- ✓ Responded to more than 1,550 calls to the FOIP Help Desk from government and local public body staff and the public. The FOIP website (www.gov.ab.ca/foip) provided information to internal government staff and the public and received more than 1,019,000 hits in 2003-04.

Private sector privacy legislation will be in effect for Alberta businesses.

- ✓ Co-ordinated a cross-government review of Alberta legislation, as a joint project with Alberta Justice, to ensure harmonization with the proposed privacy legislation.
- ✓ Developed the *Personal Information Protection Act* and associated regulation to protect the personal information of individuals while ensuring businesses can continue to use personal information for reasonable business purposes.
- ✓ Launched a website to inform organizations about the development of the act and provide practical resources, such as The Guide for Businesses and Organizations on the PIPA. The website received more than 183,000 hits and the new PIPA Information Line responded to more than 3,100 inquiries in 2003-04.
- ✓ Conducted PIPA workshops around Alberta as a joint initiative with the Alberta Chamber of Commerce and the Office of the Information and Privacy Commissioner.

Interested in learning more about PIPA?

This legislation helps protect the personal information of the public and employees of private sector organizations operating in Alberta. It governs the collection, use and disclosure of personal information by organizations in a manner that recognizes and balances:

- the right of an individual to have his or her personal information protected; and
- the need of the organization to collect, use or disclose personal information for purposes that are reasonable.

Additional information and links regarding Alberta's private sector legislation is available at **http://www.pipa.gov.ab.ca/**

Interested in learning more about FOIP?

In accordance with legislation, Government Services publishes a comprehensive annual report on FOIP activities. Readers who are interested in learning more about the administration and application of FOIP legislation in Alberta or who wish to obtain specific statistics are encouraged to review these annual reports. They are available at **www.gov.ab.ca/foip**.

Alberta's legislation provides:

- A common set of rules for the collection, use and disclosure of personal information;
- A legislative framework that supports international trade;
- A right of access to one's own personal information;
- A response to the majority of Albertans who see a need for privacy protection legislation; and
- Standards on accountability and the security of personal information.

Information management and regulatory frameworks guide ministries in delivering their programs.

- ✓ Continued leading the implementation of the Information Management Framework across government in partnership with the Office of the Corporate Chief Information Officer (Alberta Innovation and Science). Accomplishments included development of guides for ministries on managing electronic information, information security classification, information management planning and vital records. The work is being used as a model by several other jurisdictions and organizations.
- ✓ Developed "Managing Information @ Work" training sessions that support good business practices in the area of information management and FOIP. Produced materials for ministries to use in training their staff.
- ✓ Conducted information and records management training in partnership with ACSC for government staff. Training was provided to 190 participants in 2003-04.
- ✓ Coordinated the approval of 35 records retention and disposition schedules through the Alberta Records Management Committee.
- ✓ Maintained an informative information management website (www.im.gov.ab.ca) that received nearly 165,000 hits in 2003-04.
- ✓ Continued to support the work of the Regulatory Review Secretariat to ensure that Alberta has a streamlined, effective and efficient regulatory environment. During 2003-04, the Secretariat was successful in reducing the number of outstanding pre-1996 regulations down to 29, from the 1,201 originally identified.

Performance Measures – Goal 4

Performance Measure: Percentage of FOIP requests completed by government public bodies within 60 days or less.

Description

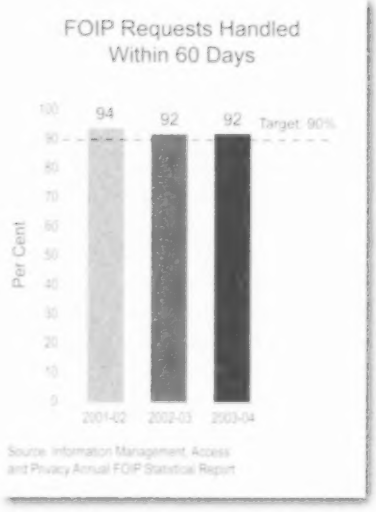
The ministry provides government public bodies with the tools and support to position them for success in handling their *Freedom of Information and Protection of Privacy Act* (FOIP) requests in an appropriate and timely fashion. In order to track the compliance of government public bodies to the access provisions of FOIP, the percentage of FOIP requests completed within legislative guidelines is assessed. The target is 90 per cent of requests completed within 60 days.

Results

92 per cent (key performance measure) of FOIP requests were completed within 60 days.

Analysis

As in the previous year, 92 per cent of requests were handled within 60 days, exceeding the target of 90 per cent. This result is evidence that the government is complying with the *Freedom of Information and Protection of Privacy Act* and affirms effective access to information, even though the complexity and number of requests received by government continues to increase annually.



Performance Measure: Percentage of FOIP requests handled without complaint to the Information and Privacy Commissioner.

Description

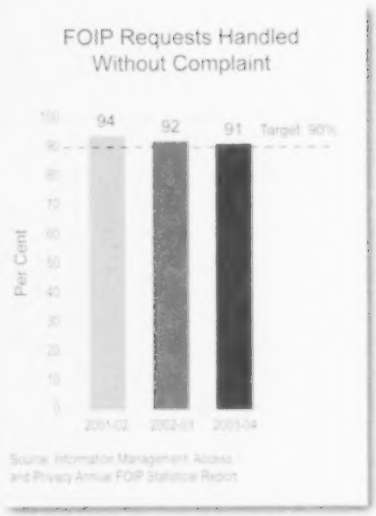
Through training and advice provided by the ministry, government public bodies are supported in successfully handling the *Freedom of Information and Protection of Privacy Act* (FOIP) requests they receive. This measure assesses the number of requests handled without complaint. The target for 2003-04 was 90 per cent.

Results

91 per cent (key performance measure) of FOIP requests have been handled without complaint.

Analysis

The results are similar to the previous year and are a meaningful indicator of client satisfaction with the request process and outcome. The ministry's efforts to support FOIP staff throughout government public bodies have been successful as evidenced by the low number of complaints (nine per cent of 2,496 FOIP requests). These results demonstrate the level of openness and transparency that Albertans can expect from their government. ■



Utilities Consumer Advocate

Core Business – Support a fair and effective marketplace in Alberta by providing licensing and registry services and promoting consumer protection.

Overview

The Utilities Consumer Advocate provides a voice for Albertans to ensure their questions and concerns about the restructured electricity and natural gas markets are heard and effectively addressed. To this end, the Advocate established an advisory council of 10 community-minded Albertans to provide grassroots consumer input on retail natural gas and electricity issues.

As well, the Advocate and his staff work to ensure homeowners and tenants, farmers and operators of small businesses are represented fairly in their dealings with their utility company, regulatory agencies such as the Alberta Energy and Utilities Board (EUB) and the provincial government.

Key areas of responsibility include:

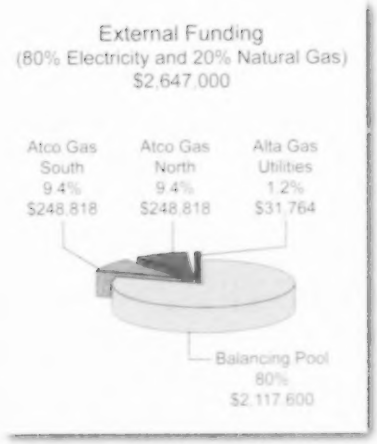
- **Consumer Information**. The Advocate promotes understanding of the restructured utility markets by informing consumers of their rights and safeguards such as the direct (door-to-door) marketing regulations contained in the *Fair Trading Act*. The Advocate is working to ensure consumers receive plain language information so they can make the right choices in meeting their energy needs.

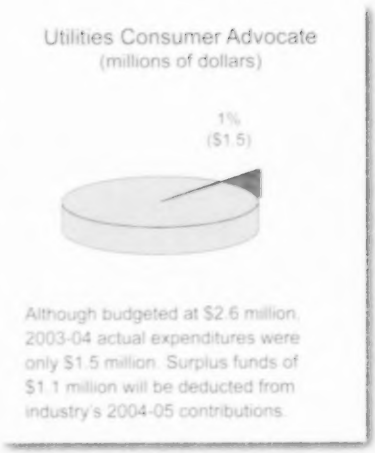
- **Consumer Concerns**. The Advocate's staff solicits, listens to and analyzes consumer concerns. When a gap in service or a failure to consider consumers is brought to the Advocate's attention, it is investigated and brought to the attention of government, regulators and/or the appropriate utility companies. Every effort is made to promote the accountability of utility companies in ensuring consumer complaints are addressed in a timely, accurate and fair manner.

- **Regulatory Hearings**. The Advocate represents and safeguards consumer interests in regulatory hearings before the EUB and other regulatory agencies.

As the Utilities Consumer Advocate is a new program launched midway through the year, it is not outlined in the ministry's 2003-06 business plan. However, its key achievements are noted on the next pages. The Advocate's office is funded through a Dedicated Revenue program and had a start up budget of $2.6 million for October 2003 to March 2004. Eighty per cent is

funded by electricity utilities through the Balancing Pool (section 148 of the *Electric Utilities Act*). A further 20 per cent comes from the natural gas utilities (section 28.1 of the *Gas Utilities Act*). This funding formula reflects the anticipated time and effort being expended on these two energy sources. These approved costs are ultimately supported by electricity and natural gas rates for consumers who ultimately benefit from the Advocate's efforts on their behalf. Any unexpended funds are returned to the utility companies and rates are adjusted appropriately.





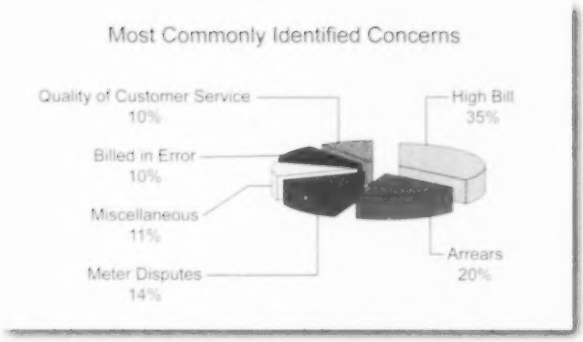
Although budgeted at $2.6 million, 2003-04 actual expenditures were only $1.5 million. Surplus funds of $1.1 million will be deducted from industry's 2004-05 contributions.

Activities/Achievements

✓ Established a contact centre to respond to inquiries and complaints. Nearly 1,000 calls, letters and e-mails were responded to between November 2003 and March 2004. The majority of the calls pertained to the electricity market. Albertans' chief utility concerns were high energy bills, billing/metering disputes and customer service problems.

Consumer Testimonial

"Thank you for providing EPCOR with what I can best describe as an 'attitude adjustment'. EPCOR's approach went from 'there is nothing you can do, now pay up' to an acknowledgement that they were in error and a willingness to correct the error. . . . . I am certain that without your intervention this problem would not have been resolved as quickly or as satisfactorily as it was. Thank you very much for your efforts on our behalf."



- ✓ Launched www.UtilitiesConsumerAdvocate.gov.ab.ca, an interactive website that provides helpful hints on making effective contact with utilities and energy efficiency tips for home, farm and office applications. It also collects data on public opinions and allows Albertans to identify their specific issues and address comments directly to the Advocate.

- ✓ Conducted speaking engagements across the province focusing on issues specific to residential, farm and commercial consumers.

- ✓ Forged direct links with all of Alberta's retail energy service providers and held regular meetings to resolve systemic issues and improve customer service (e.g., ensure summer vacation properties are not billed for energy consumption when not in use and revamping utility contracts).

- ✓ Established a joint departmental committee to review marketing contracts to ensure compliance with the *Fair Trading Act*.

- ✓ Partnered with stakeholders to begin a number of initiatives including:
  - Standard, plain language retail contracts for natural gas and electricity;
  - Standardized billing information; and
  - Research into new metering technology.

- ✓ Worked with other consumer groups to negotiate the regulated electricity tariffs for ENMAX and Direct Energy customers. Also successfully negotiated a reduction in EPCOR's non-energy charge application.

- ✓ Began work on researching the impact of utility rate volatility on seniors and other Albertans on fixed incomes.

- ✓ Pursued a joint initiative with the Credit Counselling Services of Alberta (CCSA) to support Albertans who are experiencing financial hardship and find it difficult to pay their utility bills. CCSA is a not-for-profit consumer service that provides information, education and programs to assist Albertans in managing their money, using credit wisely and finding solutions for resolving debt problems, including debt repayment programs.

- ✓ Initiated work on a co-operative protocol to be used in the regulatory process. The protocol will streamline the intervener hearing process, reduce duplication of efforts and increase the effectiveness of consumer intervention. Counsel and regulatory experts accepted the co-operative principles proposed by the Advocate's office. The Advocate's staff is preparing a formal agreement embodying these principles for signature with other consumer intervener groups.

Performance Measures

As mentioned, the Utilities Consumer Advocate will be reflected in the Government Services 2004-07 Business Plan and it will then report on three performance measures designed to assess client satisfaction and awareness. ■

Alberta Corporate Service Centre

Core Business – Lead service improvement initiatives on behalf of the Government of Alberta to improve Albertans access to government, ensure protection of privacy and promote advancements in information management.

Overview

The Alberta Corporate Service Centre (ACSC) was established in recent years as the primary provider of shared support services for the Government of Alberta. This is a cross-ministry administrative initiative and the challenges given to ACSC were to provide financial benefits, add value through improving all aspects of the delivery of shared support services and become a leader in shared services. ACSC has continuously worked with its customers and stakeholders to identify and develop effective working relationships, operational and performance standards, streamlined business processes and a clear understanding of service demand and costs.

Progress has been positive and continuous in the face of significant changes to the traditional organization of government support services and to the complex financial arrangements surrounding the delivery of those services. It is expected that the initiative will continue to produce improved results, value-added services and cost savings as it matures in coming years.

A new governance model that included an Administrative Strategy Committee was put in place in December 2003 to oversee and champion the transformation of shared services and implementation of related re-engineering projects within the Government of Alberta. A new organizational structure for ACSC was also put in place in February 2004 to further support the evolution of the shared services model. The ACSC Project Management Office was established late in the year to ensure the appropriate resources are available to implement key re-engineering initiatives.

Alberta Corporate Service Centre
(millions of dollars)

The budget for ACSC is unique in that the majority of its expenditures are charged directly back to each ministry based on the costs incurred in meeting identified service requirements. Therefore, the budget for ACSC is directly dependent upon the needs of the ministries and the level of services they require and agree to fund. Due to the size and scope of ACSC, it accounted for 68 per cent or $160.5 million of the ministry's operating expenses.

Financial benefit to customers through the provision of shared services.

- ✓ Continued to expand strategic sourcing of assets and commodities and achieved $3.0 million in cost reductions for information technology equipment and office supplies. In addition:
  - Consolidated office equipment services into a single management contract and saved $65,600.
  - Completed the second phase of the telecommunication mobility initiative and realized further annual savings across ministries of $1.35 million.
  - Assisted the Ministry of Health and Wellness with an imaging data conversion project that produced an annual saving of $250,000.
- ✓ Made significant progress towards re-engineering accounts payable, accounts receivable, recruitment, payroll and purchasing processes. Specifically, ACSC identified baseline data, mapped existing processes, conducted best practices research, initiated some non-technical process changes and assessed technological (IMAGIS) solutions. Developed business cases for recruitment and procurement re-engineering.
- ✓ Moved 180 finance and payroll and benefits staff into one service centre in February 2004 to more effectively use resources. Realigned the regional service delivery network and migrated services accordingly.
- ✓ Identified and analyzed unit costs for accounts payable, accounts receivable and payroll transactions for each ministry.
- ✓ Developed a costing and pricing model using primary utilization factors and conducted initial testing with ministries to ensure the concept is acceptable. Final implementation is projected to require approximately two years.
- ✓ Enhanced and realigned service contracts with all ministries to optimize value.
- ✓ Participated in the government's Information and Communications Technology Service Coordinator Initiative and provided baseline benchmark data on information technology.

Value-added service for customers.

- ✓ Examined service trends, opportunities and demands to ensure responsive and innovative cross-government solutions to emerging business opportunities (e.g., procurement card management and imaging services).
- ✓ Fostered partnerships and met regularly with ministry clients and councils to understand specific service delivery requirements and address issues.
- ✓ Reviewed and enhanced formal performance measures and began development of corporate performance evaluation, linking service delivery to outcome measures, based on multiple performance indices that are responsive to changing and evolving customer expectations.
- ✓ Expanded and updated the ACSC website to include new information for employees and customers about ACSC goals, strategies, activities and achievements. Approximately 700 ACSC employees attended an October information session on ACSC goals, business strategies and activities and indicated an 85% satisfaction rating with the session.
- ✓ Coached ACSC employees to meet immediate and anticipated customer service expectations by offering sessions on *Achieving Extraordinary Customer Relations*.

Being a leader in shared services.

- ✓ Completed a large two-stage review of the effectiveness of the shared services model initiative through consultation with over 985 clients and service delivery agents. This established the priorities for increased effectiveness and will form the basis for development of new performance indices in the coming fiscal year.
- ✓ Participated in inter-provincial committees to enhance shared services initiatives in the public sector through sharing information, (e.g., change management, communications, pricing and costing and performance measurement).
- ✓ Promoted the shared services model by working with ministry clients on a range of issues. These included working with:
  - Government Services on the Information Management Advisory Committee;
  - Children's Services in the management and access to child welfare case records;

- Infrastructure on parking policy and a piloted Work Order Records Tracking System;
- Personnel Administration Office on an integrated plan for Occupational Health and Safety; and
- Environment in developing the Alternate Fuel and Hybrid Vehicle Project for Government of Alberta couriers in support of the Climate Change Initiative.
- As well, ACSC applied for a Premier's Award of Excellence for *Streamlining and Consolidation; Project at Warehousing and Distribution* (a "one service window" approach to Government of Alberta forms, publications, warehousing and distribution).

Performance Measure: Dollar savings achieved.

Description

This performance measure assesses ACSC's success in reducing the Government of Alberta's costs of purchasing computers, printers and office supplies.

Results

Three million dollars of savings achieved (key performance measure) which exceeds the target of $2 million.

Performance Measure – Dollar savings achieved.[1]

2002-03	2003-04	2003-04 Target[2]
$1.13 million[3]	$3.0 million	$2.0 million

[1] Methodology was enhanced, see Performance Measure Source and Methodology Appendix for details.

[2] The target was stated as "TBA" in 2003-06 Business Plan, however, it has been re-stated as $2.0 million as per the approved ACSC 2003-04 Cross Ministry Initiative.

[3] The 2002-03 result has been restated to include only cost savings on information technology related items to be comparable with the current year.

Analysis

ACSC adds value to the Government of Alberta through consolidated purchasing of office equipment and supplies. Departments benefit directly as they can apply the resources saved to other needs.

Performance Measure: Stakeholder/customer satisfaction.

Description

This key performance measure indicates overall customer satisfaction with products and services offered by ACSC (target 83 per cent).

Analysis

ACSC has begun to develop new methodology for assessing customer satisfaction. As this methodology will not be implemented until 2004-05, no results are available for this reporting period.

Performance Measure: Percentage of performance targets in service level agreements that are met.

Description

This key performance measure indicates the number of service levels that have been met (target 75 per cent).

Analysis

The intent of this measure was to assess how well ACSC met service level expectations. However, as a common measurement tool could not be developed, this measure could not be evaluated. In the 2004-05 fiscal year, this measure will be redeveloped within ACSC's new methodology and performance indices for measuring service satisfaction.

Performance Measure: Staff satisfaction.

Description

This performance measure is an overall indicator of employee satisfaction with their work environment. The measure of overall employee satisfaction supports the ACSC's goal of being a leader in shared services by developing a strong corporate culture.

Results

80 per cent (key performance measure) staff satisfaction equals the target of 80 per cent.

Performance Measure – Staff Satisfaction.

2001-02	2002-03	2003-04	2003-04 Target
76%*	83%	80%	80%

*The first Corporate Employee Survey in which ACSC had a breakdown of results was 2001-02

Analysis

The target was achieved. Satisfaction results were broken down by service area and shared with all employees. There is a strong correlation between employee satisfaction levels and their productivity levels. With a high level of employee satisfaction, job performance is likely also high and would contribute to positive client satisfaction. ■

Integrated Results Analysis

This section of the annual report focuses on comparing planned to actual results in terms of both financial and business performance. The comparison is structured around the ministry's two core businesses as outlined in the 2003-06 business plan and reflects the inclusion of the new Utilities Consumer Advocate.

The following schedule outlines the actual expenditures incurred, in comparison to the resources budgeted, to achieve the objectives of each core business.

Operating Expense by Core Business
(millions of dollars)

	2002-03	2003-04			
	Restated Actuals	Estimates (per 2003-06 Business Plan)	Adjustments [1]	Authorized Budget	Actual
Core Business 1 – Fair and Effective Marketplace	59.6	67.4	0.6	68.0	70.8
• Quality information and services are accessible, secure, accurate and reasonably priced. • Legislation meets ever-changing needs. • Strong legislative framework that supports a fair and growing marketplace. • Legislation supports consumer and business confidence and contributes to a prosperous economy. • Consumers and businesses are empowered to help themselves.					
Core Business 2 – Service Improvement Initiatives	161.7	159.8	6.3	166.1	164.3
• Albertans' service needs and expectations are addressed in a positive manner, based on choice, respect and timeliness. • Albertans exchange information and conduct transactions in a secure environment that protects their privacy and confidentiality. • Albertans receive seamless and consistent service across all delivery channels. • Freedom of Information and Protection of Privacy legislation is effective and support is provided to those administering the act. • Private sector privacy legislation is effective and support is provided to those administering the act. • Private sector privacy legislation will be in effect for Alberta businesses. • Information management and regulatory frameworks guide ministries in delivering their programs. • Financial benefit to ACSC customers through the provision of shared services. • Value added service for ACSC customers. • ACSC is a leader in shared services.					
Total Operating Expense	$221.3	$227.2	$6.9	$234.1	$235.1

[1] Adjustments include Supplementary Estimates for additional in-year funding for arising priorities as well as program transfers and encumbrances.

Highlights of changes in the ministry's spending are as follows:

- Expenditures for *Core Business 1 – Fair and Effective Marketplace* increased by $11.2 million over the prior year as a result of implementing the new driver's licence program, receiving supplementary funding to address significant and sustained increases in land title transaction volumes and establishing the new Utilities Consumer Advocate.

- Expenditures for *Core Business 2 – Service Improvement Initiatives* increased by $2.6 million over the prior year primarily because of changes to the ACSC service contracts with client ministries.

- The variance between budgeted and actual operating expenditures reflects a transfer of capital spending to operating expenses that was approved by Treasury Board. Although not shown as a formal adjustment to the authorized budget, further Treasury Board approval was received for an increase of $1.2 million in statutory expenditures (i.e., land titles assurance claims and the write-off of an obsolete account receivable).

The ministry measures its success in realizing its objectives through a series of formal performance measures that are focused predominantly upon:

- Client satisfaction
- Affordable/competitive fees
- Timeliness of service.

During 2003-04, a number of factors influenced the ministry's ability to achieve its performance targets.

Core Business 1 – Fair and Effective Marketplace – Total Operating Expense – $70.8 million. Despite increasing transaction volumes across each of the registry systems, the ministry worked to provide effective and efficient service delivery while maintaining high standards of service. For services provided through the provincial Registry Agent Network and via the Internet through Registries On-line, client satisfaction ratings substantially met or exceeded targets. However, the robust economy and sustained increase in transaction volumes had an adverse effect on client satisfaction with land title registrations. Recognizing a dramatic and sudden decrease in satisfaction with Land Title's registration services through initial performance results, the ministry employed a number of mitigating strategies (additional overtime, curtailed staff vacations) and ultimately requested further resources to address the primary driver in the decrease - increased turn-around times. Late in the year, a supplementary estimate was approved for a multi-year staffing strategy to increase the number of highly trained land titles examiner positions. Over time, as the new staff are fully trained and operating at full capacity, the ministry's ability to keep pace with the strong demand for land titles services will be greatly improved.

Client satisfaction is also the means for measuring the performance of the ministry's call centre, which handled over 178,000 calls on registry or consumer related issues. During 2003-04, the caller profile shifted somewhat in response to legislative and program changes such as the graduated drivers licence program brought in by Alberta Transportation and the ministry's new driver's licence. These changes resulted in more complex and lengthy inquiries as callers requested more detailed information, ultimately increasing the time trying to get through or on hold. As a result, client satisfaction was reduced from 87 per cent in 2002-03 to 73 per cent in 2003-04 for registry related calls. Although the complexity of consumer related calls also increased, the use of cross-training and staff coaching maintained consumer related caller satisfaction above 80 per cent.

Consumer protection through proactive services like the ministry's tipsheets and support to those victimized by marketplace fraud through investigative services are essential to achieving a fair marketplace. In response to growing complexities in the marketplace and increasing consumer expectations, the ministry continued to strengthen the tipsheet content and to develop a strategic investigative strategy to focus on the most serious offences. In spite of these efforts, satisfaction with both the ministry's tipsheets and investigative services were five to seven per cent below their respective targets. Further work is currently underway to assess how to improve services.

The final measure of performance for this core business is a fee comparison that demonstrates the affordability of licensing and registry services. Based on a national comparison of various registry and licensing services, the ministry was successful in achieving its target of having Alberta fees remain below the national average.

As the Utilities Consumer Advocate was created mid-way through the fiscal year, no performance measures were defined. Measures will be included in the ministry's 2004-07 business plan and reported upon in the 2004-05 annual report.

Core Business 2 – Service Improvement Initiatives – Total Operating Expense – $164.3 million. Although there was some increased demand for this core business, the more significant impacts included the introduction of new legislation and the ongoing development and evolution of government-wide service improvement initiatives such as Service Alberta and the Alberta Corporate Service Centre.

Service Alberta was successful in meeting its target to increase online transactional services and also collected baseline data for a new client satisfaction measure on access to government services. Service Alberta is very much a collaborative effort with other ministries and continues to make

progress on an incremental basis, capitalizing on resources provided both by Government Services and other partnering ministries.

Interest in privacy issues continues to grow and the introduction of the *Personal Information Protection Act* resulted in significant effort to provide appropriate training and information. At the same time, FOIP requests continued to increase as did visits and inquiries to the FOIP website and help-desk. The ministry was successful in meeting its targets both for FOIP requests completed in a timely manner and requests completed without complaint.

ACSC's continued evolution includes an increased focus on improvement strategies for delivery of shared services. Implementing significant change to the traditional organization of government support services and to the complex financial arrangements surrounding the delivery of those services has proved challenging. However, progress has been positive and ongoing.

In summary, with Alberta's economy expected to continue thriving, pressure on static resources will continue to mount. While this may lead to some further deterioration in client satisfaction, other factors could lend some balance to future results. For example, the ministry has successfully overcome some hurdles, such as growing pains with the driver's licence implementation, which may lead to more normal levels of client approval.

In addition to these factors, the ministry has taken steps to gain clearer feedback from Albertans on service issues of concern (e.g., registry call centre, consumer investigative services). Over the upcoming year, this should provide better information on opportunities to improve and lead to more responsive service delivery, highlighting the ministry's ongoing commitment to service excellence. ■

Forward Looking Information

The growth and changes experienced by the ministry in 2003-04 will have an impact on the direction taken in the upcoming year. These changes will lead to a number of opportunities to enhance service delivery, as well as some potential challenges. Key areas to be addressed in the upcoming year include:

- **Consumer Awareness**
  Services provided by the ministry can be effective only if Albertans are aware of and take advantage of them. With the creation of the Utilities Consumer Advocate mid-way through 2003-04, one challenge will be to ensure that Albertans are aware of the role and services provided by this office and how it can help them. The Service Alberta initiative is another program that will be working to ensure Albertans are aware that Government of Alberta services and information are available through their toll-free number and website.

- **Security and Privacy**
  Government Services will continue to play a leading role in helping Albertans protect the security of their identity and personal information and will continue a number of activities initiated in 2003-04. For example, the driver's licence program will be further enhanced with the implementation of facial recognition technology and other security measures. The ongoing changes and enhancements to the ministry's systems and service delivery infrastructure will continue to require the completion of privacy impact assessments to ensure privacy concerns are considered and addressed in advance. As well, support will be provided to Alberta businesses as they work with the new privacy legislation, the *Personal Information Protection Act*.

- **Transaction Growth and Complexity**
  Alberta's robust economy continues to drive up the number of services the ministry must support through its licensing, registration and investigative services. This sustained growth results in an ongoing challenge for Government Services as additional resources are not always available to help address this demand.

- **Registries Renewal Initiative**
  The renewal of the ministry's existing systems for the Personal Property, Land Titles and Motor Vehicles registries will be a sustained focus over the next five to seven years. Plans for 2004-05 will be based on a refresh of the original business case to validate the direction and approach being taken in renewing these critical systems.

- **Legislative Renewal**
  Government Services is responsible for an extensive portfolio of legislation, consisting of 36 acts and 74 regulations that must be kept current and responsive to emerging issues. Significant effort and resources must be dedicated in order to appropriately maintain this legislative framework.

- **Administrative Efficiency**
  Fortune 500 companies and public sector bodies are implementing shared services programs to reduce their administrative costs. Experience shows that the partnerships and competencies required for initiatives of such magnitude present enormous challenges. If the ACSC initiative is to continue to show progress and produce value for Albertans, there must be a focus on business process improvements and large scale re-engineering of administrative activities in a supportive cross-government culture. As well, capturing the promise of shared services will require a re-thinking of the fundamental processes of government with an emphasis on increased entrepreneurship, innovation and risk taking.

The new structure of the ministry provides for a greater focus on priority areas with the appointment of Deputy Ministers for both the new Utilities Consumer Advocate and the Alberta Corporate Service Centre. In addition, the program realignment within the Department of Government Services holds greater opportunities to develop mutually beneficial partnerships and optimize service delivery. These changes mean that Alberta Government Services is well positioned to respond to future opportunities and challenges while maintaining a commitment to serving Albertans. ■

Financial Information

Ministry of
Government Services

March 31, 2004

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flow

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Schedule of Revenues

Schedule of Dedicated Revenue Initiatives

Schedule of Expenses—Directly Incurred Detailed by Object

Schedule of Budget

Schedule of Comparison of Expenses—Directly Incurred,EIP and Statutory Expenses by Element to Authorized Budget

Schedules of Salary and Benefits Disclosure

Schedule of Related Party Transactions

Schedule of Allocated Costs

AUDITOR GENERAL
Alberta

AUDITOR'S REPORT

To the Members of the Legislative Assembly

I have audited the statement of financial position of the Ministry of Government Services as at March 31, 2004 and the statements of operations and cash flow for the year then ended. These financial statements are the responsibility of management of the Ministry. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Ministry as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J. Dunn
FCA
Auditor General

Edmonton, Alberta
May 21, 2004

MINISTRY OF GOVERNMENT SERVICES
STATEMENT OF OPERATIONS
Year ended March 31, 2004
(in thousands)

	2004		2003
	Budget (Schedule 4)	Actual	Actual (Restated - Note 3)
Revenues (Schedules 1 and 2)			
Fees and licences	$ 317,909	$ 324,474	$ 304,234
Other revenue	144,586	151,313	149,693
	462,495	475,787	453,927
Expenses - Directly incurred (Note 2b and Schedule 8)			
Voted (Schedules 3 and 5)			
Ministry Support Services	23,750	24,005	22,192
Licensing, Registry and Consumer Services	44,886	44,993	38,093
Service Alberta	580	580	545
Government Support Services	2,004	2,019	1,883
Alberta Corporate Service Centre	155,663	160,259	158,115
Utilities Consumer Advocate	-	1,464	-
	226,883	233,320	220,828
Statutory (Schedules 3 and 5)			
Personal Property Security Judgments	5	-	
Land Titles Registrar's Assurance Liabilities	20	957	85
Valuation Adjustments			
Provision for doubtful accounts	10	398	40
Provision for vacation pay	314	462	349
	349	1,817	474
	227,232	235,137	221,302
Loss on disposal of tangible capital assets	-	-	400
Net operating results	$ 235,263	$ 240,650	$ 232,225

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF GOVERNMENT SERVICES
STATEMENT OF FINANCIAL POSITION
March 31, 2004
(in thousands)

	2004	2003 (Restated - Note 3)
ASSETS		
Cash	$ 69,382	$ 60,454
Accounts receivable (Note 4)	9,640	9,528
Tangible capital assets (Note 6)	11,998	10,527
	$ 91,020	$ 80,509
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	$ 50,140	$ 40,948
Unearned revenue (Notes 2c and 8)	160,099	140,502
	210,239	181,450
NET LIABILITIES		
Net liabilities at beginning of year	(100,941)	(93,366)
Net transfer from Innovation and Science	(4,786)	-
Net operating results	240,650	232,225
Net transfer to general revenues	(254,142)	(239,800)
Net liabilities at end of year	(119,219)	(100,941)
	$ 91,020	$ 80,509

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF GOVERNMENT SERVICES

STATEMENT OF CASH FLOW

Year ended March 31, 2004

(in thousands)

	2004	2003 (Restated - Note 3)
Operating Transactions		
Net operating results	$ 240,650	$ 232,225
Non-cash items included in net operating results		
Amortization	4,180	3,967
Loss on disposal of tangible capital assets	-	400
Valuation adjustments	860	389
	245,690	236,981
Increase in accounts receivable	(510)	(696)
Increase in accounts payable and accrued liabilities	8,730	7,449
Increase in unearned revenue	19,597	17,399
Cash provided by operating transactions	273,507	261,133
Capital Transactions		
Acquisition of tangible capital assets	(3,360)	(6,329)
Total transfer of capital assets from other ministries	(2,291)	(2,099)
Cash applied to capital transactions	(5,651)	(8,428)
Financing Transactions		
Net transfer from Innovation and Science	(4,786)	-
Net transfer to general revenues	(254,142)	(239,800)
Cash applied to financing transactions	(258,928)	(239,800)
Increase in cash	8,928	12,905
Cash, beginning of year	60,454	47,549
Cash, end of year	$ 69,382	$ 60,454

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF GOVERNMENT SERVICES
NOTES TO THE FINANCIAL STATEMENTS
Year ended March 31, 2004

Note 1 Authority and Purpose

The Ministry of Government Services operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The ministry supports a fair and effective marketplace in Alberta by providing licensing and registry services and promoting consumer protection. The ministry also leads service improvement initiatives to improve Albertans' access to government, ensure protection of privacy, and streamline common ministry program support processes.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate. These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments.

(a) Reporting Entity

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of the departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net transfer (to) from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual method of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Note 2 **Summary of Significant Accounting Policies and Reporting Practices (continued)**

(b) Basis of Financial Reporting (continued)

Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues must be shown as credits or recoveries in the details of the Government Estimates for a supply vote. If actual dedicated revenues are less than budget and total voted expenses are not reduced by an amount sufficient to cover the deficiency in dedicated revenues, the following year's voted expenses are encumbered. If actual dedicated revenues exceed budget, the ministry may, with the approval of the Treasury Board, use the excess revenue to fund additional expenses on the program. Schedule 2 discloses information on the Ministry's dedicated revenue initiatives.

Expenses

Directly Incurred

Directly incurred expenses are those costs the ministry has primary responsibility and accountability for, as reflected in the government's budget documents.

In addition to program operating expenses like salaries and supplies, directly incurred expenses also include:

- amortization of tangible capital assets.
- pension costs, which comprise the cost of employer contributions for current service of employees during the year.
- valuation adjustments, which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Incurred by Others

Services contributed by other entities in support of the ministry operations are disclosed in Schedule 8.

Assets

Financial assets of the ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals as well as inventories held for resale.

Assets acquired by right are not included. Tangible capital assets of the ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000.

Donated capital assets are recorded at their fair value at the time of contribution.

Note 2 **Summary of Significant Accounting Policies and Reporting Practices (continued)**

(b) Basis of Financial Reporting (continued)

Assets (continued)

When physical assets (capital assets and inventories) are gifted or sold for a nominal sum to parties external to the government reporting entity, the fair values of these physical assets less any nominal proceeds are recorded as grants in kind.

Liabilities

Liabilities represent all financial claims payable by the ministry at fiscal year end.

Net Assets/Net Liabilities

Net assets/net liabilities represents the difference between the carrying value of assets held by the ministry and its liabilities.

(c) Change in Accounting Policy
(in thousands)

The ministry changed its accounting policy regarding revenue recognition of motor vehicle operator licences.

Operator licences are issued for periods of one to five years. In prior years, operator licence revenue was recognized on a yearly basis. By now recognizing revenue on a monthly basis, the ministry has adopted a revenue recognition policy that is more compliant with Generally Accepted Accounting Principles.

For 2003-04, this policy change has resulted in a decrease of $9,200 in revenue, with a corresponding increase in unearned revenue. Prior periods have not been restated to reflect this change in policy, as the information is not available.

Note 3 **Program Transfer**
(in thousands)

The following programs and their respective budgets were transferred to Alberta Corporate Service Centre from the Ministry of Innovation and Science effective April 1, 2003.

- The Alberta Records Centre provides records management services for off-site storage of inactive and semi-active records. The centre also manages confidential records destruction services as part of the records disposition process throughout the province.
- Telecommunications provides Area Network Services, Multi Department Mobile Radio System services and Wide Area Network (Voice) services.

These programs are not charged back to other ministries, as ministries were not previously paying for these services.

Note 3 Program Transfer (continued)

Comparative numbers for 2003 have been restated as if the ministry had always been assigned the budget for Alberta Records Centre and Telecommunications.

The effects of the restatement in 2003 are:

- Net liabilities at April 1, 2003 were increased due to the transfer of a net liability of $4,786 from Innovation and Science.
- Revenues were reduced by $4,786, the amount previously billed by Alberta Corporate Service Centre to Innovation and Science.

Note 4 Accounts Receivable

(in thousands)

	2004			2003
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts receivable	$ 9,567	$ (143)	$ 9,424	$ 8,951
Refunds from suppliers	216	-	216	577
	$ 9,783	$ (143)	$ 9,640	$ 9,528

Accounts receivable are unsecured and non-interest bearing. The accounts receivable amounts include $1,584 (2003 – $1,563) to be received from other government ministries.

Note 5 Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Note 6 Tangible Capital Assets

(in thousands)

	Estimated Useful Life	2004 Cost	2004 Accumulated Amortization	2004 Net Book Value	2003 Net Book Value
Equipment	3-10 years	$ 3,246	$ 2,473	$ 773	$ 942
Computer hardware and software	3-5 years	63,258	52,033	11,225	9,585
		$ 66,504	$ 54,506	$ 11,998	$ 10,527

- Equipment includes telephone system.
- Computer hardware and software includes Government of Alberta Data Centre assets.

Note 7 Accounts Payable and Accrued Liabilities

(in thousands)

The ministry has an obligation to pay for goods and services acquired by its program areas and must also remit funds collected on behalf of the Ministry of Justice.

	2004	2003
Alberta Corporate Service Centre	$ 17,375	$ 11,698
Utilities Consumer Advocate	521	-
Other department payables	26,527	24,726
Payable to Ministry of Justice	5,717	4,524
	$ 50,140	$ 40,948

Note 8 Unearned Revenue

(in thousands)

The ministry records unearned revenue when it receives payment for services to be provided in a future accounting period(s).

	2004	2003
Fees and licences		
Motor vehicle fees	$158,371	$139,888
Land title fees	120	171
Personal property fees	19	11
Business Corporations Act	75	56
Vital statistics	63	82
Licensing of businesses and trades	272	261
Name changes	14	28
Other revenue		
Alberta Corporate Service Centre	2	5
Utilities Consumer Advocate *	1,163	-
	$160,099	$140,502

* Of the total external funding of $2,647 that was received by the Utilities Consumer Advocate, $1,163 was not expended in 2003-2004 and will be deducted from the next year's funding contributions.

Note 9 Commitments

(in thousands)

	2004	2003
Service contracts	$132,429	$135,320
Long-term leases [a]	1,319	1,259
Total commitments [b]	$133,748	$136,579

(a) The ministry leases certain equipment under operating leases that expire on various dates to 2008. The aggregate amounts payable for the unexpired terms of these leases are as follows:

2005	$ 559
2006	537
2007	137
2008	86
	$ 1,319

(b) This includes $69,584 (2003 - $73,660) for contracts managed by the ministry (i.e. by ACSC) on behalf of other departments.

Note 10 Contingencies

(in thousands)

At March 31, 2004, the ministry is a defendant in nine legal claims (2003 - eight legal claims). Six of these claims have specified amounts totaling $1,331 and the remaining three have no specified amount (2003 - seven claims with specified amount of $3,514 and one with no specified amount). Two claims amounting to $940 are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

Note 11 Trust Funds under Administration

(in thousands)

The ministry administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the ministry's financial statements.

As at March 31, 2004 trust funds under administration were as follows:

	2004	2003
Business licensing security	$ 1,342	$ 1,304
Miscellaneous trust funds	230	273
	$ 1,572	$ 1,577

Note 12 Defined Benefit Plans

(in thousands)

The ministry participates in the multiemployer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $5,371 for the year ended March 31, 2004 (2003 - $4,206).

At December 31, 2003, the Management Employees Pension Plan reported a deficiency of $290,014 (2002 - $301,968) and the Public Service Pension Plan reported an actuarial deficiency of $596,213 (2002 - $175,528). At December 31, 2003, the Supplementary Retirement Plan for the Public Service Managers had an actuarial surplus of $9,312 (2002 - $6,472).

The ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2004, the Bargaining Unit Plan reported an actuarial deficiency of $9,766 (2003 - $14,434) and the Management, Opted Out and Excluded Plan an actuarial surplus of $1,298 (2003 - actuarial deficiency of $3,053). The expense for these two plans is limited to employer's annual contributions for the year.

Note 13 **Comparative Figures**
(in thousands)

Certain 2003 figures have been reclassified to conform to the 2004 presentation.

Note 14 **Approval of Financial Statements**
(in thousands)

The financial statements were approved by the Senior Financial Officers and the Deputy Ministers of the Department of Government Services, Alberta Corporate Service Centre and Utilities Consumer Advocate.

MINISTRY OF GOVERNMENT SERVICES
SCHEDULE TO FINANCIAL STATEMENTS

Schedule 1

Revenues
Year ended March 31, 2004
(in thousands)

	2004		2003
	Budget	Actual	Actual
Fees and Licences			
Motor vehicles	$ 261,786	$ 265,565	$ 248,147
Land titles	36,134	40,736	37,706
Personal property registry	4,848	4,818	4,766
Business Corporations Act	5,387	5,083	4,727
Electronic gateway	4,755	3,617	4,403
Vital statistics	3,397	3,200	3,019
Marriage licences	789	715	733
Licensing of businesses and trades	400	423	400
Name changes	359	271	288
Other	54	46	45
	317,909	324,474	304,234
Other Revenue			
Alberta Corporate Service Centre[a]	143,859	149,451	149,518
Utilities Consumer Advocate [b]	-	1,484	-
Refunds of expenditure	154	136	5
Miscellaneous	573	242	170
	144,586	151,313	149,693
	$ 462,495	$ 475,787	$ 453,927

(a) Prior year amounts have been restated to include Telecommunications and Records Centre, which were transferred from Innovation & Science to ACSC effective April 1, 2003.

(b) As this was a new program that was introduced in October 2003 (Order in Council #433/2003), there is no original budget. The program is funded through a Dedicated Revenue Program with 80% contributed through the Balancing Pool (section 148 of the *Electric Utilities Act*) and 20% through Gas Utilities (section 28.1 of the *Gas Utilities Act*).

Although $2,647 of funding was received, only $1,484 is reported as revenue as the unexpended portion of $1,163 is recorded as unearned revenue.

MINISTRY OF GOVERNMENT SERVICES
SCHEDULE TO FINANCIAL STATEMENTS
Dedicated Revenue Initiatives
Year ended March 31, 2004
(in thousands)

Schedule 2

	2004		
	Authorized Dedicated Revenues	Actual Dedicated Revenues	Shortfall (1)
Alberta Corporate Service Centre	$ 150,640	$ 149,151	$ (1,489)
Utilities Consumer Advocate	2,647	1,484	(1,163)
	$ 153,287	$ 150,635	$ (2,652)

Revenue for each of the following initiatives is included in the ministry's revenue as reported in Schedule 1 and in the Statement of Operations under Other Revenue.

Alberta Corporate Service Centre

Ministries are charged for the management and administrative costs of the shared services delivery model. Revenue reported is included in Schedule 1 under Other Revenue and is net of Government Services' departmental portion of $14,622.

Utilities Consumer Advocate

The Utilities Consumer Advocate (UCA) was established through Order in Council #433/2003 to represent the interests of residential, farm and small commercial consumers of electricity and natural gas. It also influences utility regulations, policies and practices, and informs consumers about electricity and natural gas issues.

80% of its funding is received through the Balancing Pool (section 148 of the *Electric Utilities Act*) with a further 20% from three provincial natural gas distributors (section 28.1 of the *Gas Utilities Act*). Although $2,647 of funding was received, only $1,484 is reported as revenue as the unexpended portion of $1,163 is recorded as unearned revenue.

(1) Shortfall is deducted from current year's authorized budget, as disclosed in Schedules 4 and 5 to the financial statements.

Schedule 3

MINISTRY OF GOVERNMENT SERVICES
SCHEDULE TO FINANCIAL STATEMENTS
Expenses — Directly Incurred Detailed by Object
Year ended March 31, 2004
(in thousands)

	2004		2003
	Budget	Actual	Actual
Voted			
Salaries, wages and employee benefits	$ 89,732	$ 96,530	$ 90,638
Supplies and services	131,776	132,528	126,135
Other	69	82	88
Amortization of tangible capital assets	5,306	4,180	3,967
Total voted expenses	$ 226,883	$ 233,320	$ 220,828
Statutory			
Personal Property Security Judgments	$ 5	$ -	$ -
Land Titles Registrar's Assurance Liabilities	20	957	85
Valuation Adjustments			
Provision for doubtful accounts	10	398	40
Provision for vacation pay	314	462	349
	$ 349	$ 1,817	$ 474

MINISTRY OF GOVERNMENT SERVICES
SCHEDULE TO FINANCIAL STATEMENTS
Budget
Year ended March 31, 2004
(in thousands)

Schedule 4

	2003-2004 Estimates	Adjustment (a)	2003-2004 Budget	Authorized Supplementary (b)	2003-2004 Authorized Budget
Revenues					
Fees and licences	$ 317,909	$ -	$ 317,909	$ -	$ 317,909
Other revenue	144,586	-	144,586	8,960	153,546
	462,495	-	462,495	8,960	471,455
Expenses - Directly Incurred					
Voted operating expenses					
Ministry Support Services	23,750	-	23,750	-	23,750
Licensing, Registry and Consumer Services	44,886	-	44,886	600	45,486
Service Alberta	580	-	580	-	580
Government Support Services	2,004	-	2,004	-	2,004
Alberta Corporate Service Centre	155,663	(1,489)	154,174	6,313	160,487
Utilities Consumer Advocate	-	(1,163)	(1,163)	2,647	1,484
	226,883	(2,652)	224,231	9,560	233,791
Statutory expenses					
Personal Property Security Judgments	5	-	5	-	5
Land Titles Registrar's Assurance Liabilities	20	-	20	-	20
Valuation Adjustments					
Provision for doubtful accounts	10	-	10	-	10
Provision for vacation pay	314	-	314	-	314
	349	-	349	-	349
Total expenses	227,232	(2,652)	224,580	9,560	234,140
Net operating results	$ 235,263	$ 2,652	$ 237,915	$ (600)	$ 237,315
Equipment/Inventory purchases	$ 4,275	$ -	$ 4,275	$ -	$ 4,275

(a) As dedicated revenues (Schedule 2) were less than the budget, program spending estimates were encumbered. The encumbrance reduced the budgeted amount for voted expenses in the current year.

(b) Pursuant to section 24(2) of the *Financial Administration Act*, Treasury Board approved dedicated revenue and expenditure increases on November 14, 2003 for the Utilities Consumer Advocate ($2,647) and on January 27, 2004 for the Alberta Corporate Service Centre ($6,313). As well, a Supplementary Estimate was approved on December 4, 2003 for Land Title Services.

MINISTRY OF GOVERNMENT SERVICES
SCHEDULE TO FINANCIAL STATEMENTS

Schedule 5 — Comparison of Expenses — Directly Incurred, EIP and Statutory Expenses by Element to Authorized Budget
Year ended March 31, 2004
(in thousands)

	2003-04 Estimates	Adjustments (a)	2003-2004 Budget	Authorized Supplementary (b)	2003-04 Authorized Budget	2003-04 Actual Expenses (c)	Unexpended (Over Expended)
Voted Expenses and EIP							
Ministry Support Services							
Minister's Office	$ 350	$ -	$ 350	$ -	$ 350	$ 342	$ 8
Deputy Minister's Office	512	-	512	-	512	464	48
Business and Financial Services	1,942	-	1,942	-	1,942	1,902	40
Information Technology							
- Operating expense	6,669	-	6,669	-	6,669	7,007	(338)
- Equipment/Inventory purchases	-	-	-	-	-	214	(214)
Communications	268	-	268	-	268	273	(5)
Human Resource Services	523	-	523	-	523	570	(47)
Legal Services	82	-	82	-	82	71	11
Legislation Planning and Freedom of Information and Protection of Privacy	504	-	504	-	504	549	(45)
Shared Services	12,900	-	12,900	-	12,900	12,827	73
	23,750	-	23,750	-	23,750	24,219	(469)
Licensing, Registry and Consumer Services							
Registrar's office	298	-	298	-	298	247	51
Private Agent Services / General Registry							
- Operating expense	19,442	-	19,442	-	19,442	17,923	1,519
- Equipment/Inventory purchases	885	-	885	-	885	589	296
Land Titles Services	7,995	-	7,995	600	8,595	9,776	(1,181)
Consumer Services	4,937	-	4,937	-	4,937	4,754	183
Divisional Support	1,434	-	1,434	-	1,434	1,263	171
Call Centres	1,278	-	1,278	-	1,278	1,298	(20)
Registries Information Systems							
-Operating expense	9,502	-	9,502	-	9,502	9,732	(230)
- Equipment/Inventory purchases	3,390	-	3,390	-	3,390	2,557	833
	49,161	-	49,161	600	49,761	48,139	1,622
Service Alberta							
Program Management Office	580	-	580	-	580	580	-
	580	-	580	-	580	580	-
Government Support Services							
Regulatory and Program Review	81	-	81	-	81	138	(57)
Information Management, Access and Privacy	1,923	-	1,923	-	1,923	1,881	42
	2,004	-	2,004	-	2,004	2,019	(15)

(cont'd)

MINISTRY OF GOVERNMENT SERVICES

SCHEDULE TO FINANCIAL STATEMENTS

Comparison of Expenses — Directly Incurred, EIP and Statutory Expenses by Element to Authorized Budget

Year ended March 31, 2004

(in thousands)

Schedule 5

(cont'd)

	2003-04 Estimates	Adjustments (a)	2003-04 Budget	Authorized Supplementary (b)	2003-04 Authorized Budget	2003-04 Actual Expenses (c)	Unexpended (Over Expended)
Alberta Corporate Service Centre							
Management and Administration	3,700	-	3,700	-	3,700	3,700	-
Ministry Service Agreements	140,627	(1,489)	139,138	6,313	145,451	145,286	165
Supply Management	6,555	-	6,555	-	6,555	6,028	527
Records Centre	993	-	993	-	993	1,071	(78)
Telecommunications	3,788	-	3,788	-	3,788	4,174	(386)
	155,663	(1,489)	154,174	6,313	160,487	160,259	228
Utilities Consumer Advocate	-	(1,163)	(1,163)	2,647	1,484	1,464	20
Total voted expenses and EIP	$ 231,158	$ (2,652)	$228,506	$ 9,560	$ 238,066	$ 236,680	$ 1,386
Operating expense	$ 226,883	$ (2,652)	$ 224,231	$ 9,560	$ 233,791	$ 233,320	$ 471
Equipment/Inventory purchases	4,275	-	4,275	-	4,275	3,360	915
Total voted expenses and EIP	$ 231,158	$ (2,652)	$ 228,506	$ 9,560	$ 238,066	$ 236,680	$ 1,386
Statutory expenses							
Personal Property Security Judgments	$ 5	$ -	$ 5	$ -	$ 5	$ -	$ 5
Land Titles Registrar's Assurance Liabilities	20	-	20	-	20	957	(937)
Valuation Adjustments							
Provision for doubtful accounts	10	-	10	-	10	398	(388)
Provision for vacation pay (d)	314	-	314	-	314	462	(148)
	$ 349	$ -	$ 349	$ -	$ 349	$ 1,817	$ (1,468)

(a) As dedicated revenues (Schedule 2) were less than the budget, program spending estimates were encumbered. The encumbrance reduced the budgeted amount for voted expenses in the current year.

(b) Pursuant to section 24(2) of the *Financial Administration Act*, Treasury Board approved dedicated revenue and expenditure increases on November 14, 2003 for the Utilities Consumer Advocate ($2,647) and on January 27, 2004 for the Alberta Corporate Service Centre ($6,313). As well, a Supplementary Estimate was approved on December 4, 2003 for Land Title Services.

(c) Includes achievement bonuses amounting to $1,705 to its management and opted out employees. This amount has been allocated to relevant programs.

(d) Includes provision for vacation pay for the Alberta Corporate Service Centre ($210) and Utilities Consumer Advocate ($20).

Schedule 6a

MINISTRY OF GOVERNMENT SERVICES
SCHEDULE TO FINANCIAL STATEMENTS
Salary and Benefits Disclosure
Department of Government Services
Year ended March 31, 2004

	2004				2003
	Base Salary [1]	Other Cash Benefits [2]	Other Non-cash Benefits [3]	Total	Total
Senior Official					
Deputy Minister [4] [5]	$ 81,500	$ 15,929	$ 21,544	$ 118,973	$ 237,305
Deputy Minister [4] [6]	74,189	29,836	16,827	120,852	-
	155,689	45,765	38,371	239,825	237,305
Executives					
Assistant Deputy Minister, Licensing, Registry and Consumer Services	126,284	18,798	27,102	172,184	167,107
Managing Director, Service Alberta	126,284	18,798	27,942	173,024	168,453
Executive Director, Information Technology	109,639	15,693	24,224	149,556	131,399
Senior Financial Officer	104,129	15,398	22,506	142,033	130,636
Executive Director, Human Resource Services	90,480	13,250	18,143	121,873	105,074
Executive Director, Information Management, Access and Privacy	106,075	15,693	22,949	144,717	134,568

Total salary and benefits relating to a position are disclosed.

(1) Base salary includes pensionable base pay.

(2) Other cash benefits include bonuses, vacation payments, overtime and lump sum payments.

(3) Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long term disability plans, WCB premiums, professional memberships and tuition fees.

(4) Automobile provided, no dollar amount included in other non-cash benefits figures.

(5) Incumbent was reassigned to be the Deputy Minister of Utilities Consumer Advocate effective October 2003 (OC 433/2003). 2004 salary and benefits reported relate to April to September 2003. See Schedule 6(c) for salary and benefits relating to October 2003 to March 2004. Achievement bonus has been pro-rated for the portion of the year spent in each office. The 2003 information reflects an entire twelve-month period.

(6) Incumbent joined Government Services in October 2003 (OC 432/2003). Salary and benefits reported relate to October 2003 to March 2004. Achievement bonus relates to full year including service at Public Affairs Bureau for April to September 2003.

MINISTRY OF GOVERNMENT SERVICES
SCHEDULE TO FINANCIAL STATEMENTS
Salary and Benefits Disclosure
Alberta Corporate Service Centre
Year ended March 31, 2004

Schedule 6b

	2004				2003
	Base Salary [1]	Other Cash Benefits [2]	Other Non-cash Benefits [3]	Total	Total
Senior Official					
Deputy Minister and Chief Executive Officer [4] [5]	$ 79,086	$ 14,918	$ 16,474	$ 110,478	$ -
Chief Executive Officer [6]	65,790	16,418	16,107	98,315	199,315
	144,876	31,336	32,581	208,793	199,315
Executives					
Assistant Deputy Ministers					
Service Delivery [7] [8]	41,595	5,787	8,667	56,049	-
Business Development [7] [8]	48,746	6,043	11,135	65,924	-
Executive Director, Corporate Services [7] [8]	41,137	5,271	10,515	56,923	-
Executive Director, Information Technology Services [8]	42,322	5,597	8,071	55,990	-

Total salary and benefits relating to a position are disclosed.

(1) Base salary includes pensionable base pay.

(2) Other cash benefits include bonuses, vacation payments, overtime and lump sum payments.

(3) Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long term disability plans, WCB premiums, professional memberships and tuition fees.

(4) The Chief Executive Officer position was appointed as a Deputy Minister effective September 23, 2003 (OC 408/2003). Salary and benefits are reported for the period of October 2003 to March 2004.

(5) Automobile provided, no dollar amount included in other non-cash benefits figures.

(6) Deputy Minister and Chief Executive Officer supersedes this position effective September 23, 2003 (OC 408/2003). Salary and benefits reported for the period of April to September 2003.

(7) Positions for Assistant Deputy Ministers and Executive Director, Corporate Services were created as part of ACSC's organizational alignment effective November 2003.

(8) Executives reported per organization alignment effective November 2003. Salaries and benefits relate to the period of November 2003 to March 2004. Achievement bonus is pro-rated for the portion of the year being reported.

Schedule 6c

MINISTRY OF GOVERNMENT SERVICES
SCHEDULE TO FINANCIAL STATEMENTS
Salary and Benefits Disclosure
Utilities Consumer Advocate [1]
Year ended March 31, 2004

	2004				2003
	Base Salary [2]	Other Cash Benefits [3]	Other Non-cash Benefits [4]	Total	Total
Senior Official					
Deputy Minister [5] [6]	$ 81,802	$ 15,929	$ 17,254	$ 114,985	$ -
Executives					
Associate Advocates					
Industry and Consumer Affairs [7]	43,026	6,313	8,814	58,153	-
Regulatory Affairs [8]	38,325	6,000	8,847	53,172	-

Total salary and benefits relating to a position are disclosed.

(1) Office of the Utilities Consumer Advocate was created in October 2003 through Order in Council #433/2003.

(2) Base salary includes pensionable base pay.

(3) Other cash benefits include bonuses, vacation payments, overtime and lump sum payments.

(4) Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long term disability plans, WCB premiums, professional memberships and tuition fees.

(5) Automobile provided, no dollar amount included in other non-cash benefits figures.

(6) As the Deputy Minister position was created effective October 2003 (OC 433/2003), 2004 salary and benefits reported here relate to October 2003 to March 2004. Prior to October, the incumbent was the Deputy Minister of the Department of Government Services (see Schedule 6(a) for salary and benefits relating to April to September 2003). Achievement bonus has been pro-rated for the portion of the year spent in each office.

(7) Salary and benefits for Associate Advocate, Industry and Consumer Affairs relate to the period of October 2003 to March 2004. Achievement bonus is pro-rated for the portion of the year that the employee served as Associate Advocate.

(8) Salary and benefits for Associate Advocate, Regulatory Affairs relate to the period of December 2003 to March 2004.

MINISTRY OF GOVERNMENT SERVICES
SCHEDULE TO FINANCIAL STATEMENTS
Related Party Transactions
Year ended March 31, 2004
(in thousands)

Schedule 7

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the ministry.

The ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The ministry had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Other Entities	
	2004	2003
Revenue		
Alberta Corporate Service Centre billings to other ministries	$ 148,717	$ 148,873
Expenses - directly incurred		
Supplies and services	$ 194	$ 221
Transfer of tangible capital assets		
from Alberta Innovation and Science	$ (2,341)	$ (1,877)
from Alberta Infrastructure	-	(263)
to Alberta Innovation and Science	50	41
	$ (2,291)	$ (2,099)
Receivable from other ministries	$ 1,584	$ 1,563
Payable to Alberta Justice	$ 5,717	$ 4,524

During the year, the ministry collected $57,743 (2003 - $50,359) on behalf of the Ministries of Transportation and Justice. Of this amount, the Ministry of Justice reports $41,917 (2003 - $34,224) as trust funds under administration.

The ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 8.

	Other Government Entities	
	2004	2003
Expenses—Incurred by others		
Accommodation	$ 11,007	$ 10,368
Legal services	899	685
	$ 11,906	$ 11,053

Schedule 8

MINISTRY OF GOVERNMENT SERVICES
SCHEDULE TO FINANCIAL STATEMENTS
Allocated Costs
Year ended March 31, 2003
(in thousands)

	2004						2003
		Expenses - Incurred by Others		Valuation Adjustments [4]			
Program	Expenses [1]	Accommodation Costs [2]	Legal Services [3]	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses
Ministry Support Services	$ 24,005	$ 731	$ 89	$ 35	$ -	$ 24,860	$ 22,939
Licensing, Registry and Consumer Services	44,993	2,061	565	180	398	48,197	41,074
Service Alberta	580	54	1	5	-	640	625
Government Support Services	2,019	280	46	12	-	2,357	2,170
Alberta Corporate Service Centre	160,259	7,803	191	210	-	168,463	165,461
Utilities Consumer Advocate	1,464	78	7	20	-	1,569	-
Land Titles Registrar's Assurance Liabilities	957	-	-	-	-	957	85
	$234,277	$ 11,007	$ 899	$ 462	$ 398	$247,043	$232,354

1) Expenses - Directly incurred as per Statement of Operations, excluding Valuation Adjustments.

2) Costs shown for accommodation (includes grants in lieu of taxes) on Schedule 7, allocated by square footage.

3) Costs shown for Legal Services on Schedule 7, allocated by estimated costs incurred by each program.

4) Valuation Adjustments as per Statement of Operations. Employee benefits and doubtful accounts provision included in Valuations Adjustments were allocated as follows:

- Vacation pay - allocated to program by employee.
- Doubtful accounts provision - estimated allocation to program.

Other Information

Ministry of Government Services
Write-offs of Accounts Receivable
For the Year Ended March 31, 2004

Unaudited

The following statement has been prepared pursuant to Section 23 of the *Financial Administration Act*.

During 2003-04, 126 accounts receivable were written off totalling $393,000. Of this, $375,000 related to one-time funding for a cemetery endowment care fund that was no longer receivable as the recipient satisfied all obligations provided in the original agreement with this government. The remainder is comprised of $13,000 for motor vehicles, $4,000 for land titles and $1,000 for miscellaneous programs.

Acts Administered by Alberta Government Services

Government Services is responsible for a wide array of acts that have a direct impact on the quality of life and the health of the business climate in Alberta. Below is a list of all acts administered by Alberta Government Services. Visit Government Services' Web site (www.gov.ab.ca/gs) to review these acts and regulations in more detail or contact the ministry by phone (1-877-427-4088) or e-mail (government.services@gov.ab.ca).

Act	Description
Agricultural and Recreational Land Ownership Act	Designed to prevent non-Canadians from buying significant amounts of prime agricultural and recreational land. However, the act does not discourage non-Canadian investors who wish to come to Alberta to invest in or to build new manufacturing plants, processing operations, recreational developments or home subdivisions or to expand existing developments.
Business Corporations Act	Provides a mechanism for businesses to incorporate a company, register records, change a corporate name, file annual returns, and list directors and shareholders of a company as well as obtaining a corporate seal.
Cemeteries Act	Regulates the disposition of human remains; ensures cemeteries meet requirements of local authorities, and protects consumers who invest in pre-need cemetery supplies and services, and ensures there are endowment care funds for perpetual care of the cemetery.
Cemetery Companies Act	Provides authority to allow seven or more people to form a company for the purpose of establishing one or more public cemeteries as well as establishing the method of forming a cemetery company and the operating rules.
Change of Name Act	Provides the eligibility to change one's name and a process to register a name change.
Charitable Fund-raising Act	Sets standards for charitable organizations and professional fund-raisers when soliciting contributions and helps protect the public from fraudulent, misleading or confusing solicitations.
Companies Act	Allows companies with objectives other than the acquisition of gain to incorporate.
Condominium Property Act	Provides the legislative framework for the creation and operation of any form of condominium, including residential and commercial. This act applies to all those who develop, invest in or own condominium projects.
Co-operative Associations Act	Provides the legal framework for persons wishing to associate for any co-operative venture.
Cooperatives Act	Repeals and replaces the *Co-operative Associations Act* to meet the needs of the co-operative sector in general, provide for specialized co-operatives, including new generation co-operatives and harmonize Alberta's legislation with federal and provincial co-operatives' legislation.

Description	Act
Establishes a Debtors' Assistance Board with powers to provide service, advice and non-financial assistance to debtors who are unable to meet their liabilities.	*Debtors' Assistance Act*
Grants dower rights to both the husband and the wife with respect to the disposition of the homestead. This includes the right of the surviving spouse to a life estate in the homestead as well as the personal property of the deceased married person.	*Dower Act*
Enhances consumer protection through remedies, enforcement tools and tougher penalties intended to discourage marketplace fraud. The act simplifies procedures for business, providing clearer standards to ensure a more level playing field.	*Fair Trading Act*
Governs the trading of franchises in Alberta ensuring that a prospective purchaser has the necessary information to make an informed investment decision and the civil remedies to deal with breaches of the act.	*Franchises Act*
Sets out the parameters for obtaining access to records of public bodies, the exceptions to disclosure, third-party intervention and public health and safety override. Also sets out the parameters for the collection, use and disclosure of personal information and defines the powers of the Information and Privacy Commissioner and the process for handling complaints.	*Freedom of Information and Protection of Privacy Act*
Regulates the activities of funeral businesses and allows for the delegation of the regulation to the Alberta Funeral Services Regulatory Board.	*Funeral Services Act*
Allows a garage keeper to register in the Personal Property Registry a lien against an owner's vehicle for repairs, parts, or storage for which he/she has not been paid.	*Garage keepers' Lien Act*
Provides that the Lieutenant Governor in Council may make regulations respecting management of departmental records, the establishment of programs for any matter involving the management of records, and defining and classifying records.	*Government Organization Act* - Schedule 11, s.2, 3, 4 & 14
Establishes a division of the government known as Alberta Registries and sets out the statutory functions of that division.	*Government Organization Act* - Schedule 12
Provides the Minister with authority to develop and implement policies, programs, services and administration procedures in matters pertaining to consumer protection.	*Government Organization Act* - Schedule 13, s.2 & 3
Provides the legal mechanism for registration of land-related documents and establishes priority between them. The government guarantees the title and compensates people who have been deprived of an interest in land (e.g., by error of the Registrar, fraud or forgery).	*Land Titles Act*
Provides legal principles in regard to property such as contracts, conveyances, enforcement of mortgages and agreements for sale of land and minerals.	*Law of Property Act*
Provides the legal authority to perform marriages (both religious and civil) as well as the legal requirements for the issuance of marriage licences and certificates.	*Marriage Act*
Deals with landlord and tenant issues relating to mobile home sites in Alberta, setting minimum standards of conduct for both landlords and tenants.	*Mobile Home Sites Tenancies Act*

Act	Description
Motor Transport Act (s.15) shared with Transportation	Following certain restrictions, allows for regulations to be made prescribing fees for registration of public vehicles under the *Motor Vehicle Administration Act*.
Motor Vehicle Accident Claims Act, s. 2 & 3	Provides that the owner of every motor vehicle shall in each year pay a fee in respect to that motor vehicle the amount prescribed by regulation before the vehicle can be registered.
Partnership Act	Provides legal authority for persons associated in partnership for trading, manufacturing, contracting or mining proposed in Alberta. It also provides legal authority for individuals to file a trade name.
Personal Information Protection Act	Establishes clear, concise and common sense rules for private sector organizations when collecting, using and disclosing personal information.
Personal Property Security Act (except Part 5)	Provides the legal mechanism for all registrations and searches in the Personal Property Registry including registrations authorized under other acts. It also regulates the relationship between secured parties and debtors when personal property is used as collateral to secure payment of a debt or performance of an obligation.
Possessory Liens Act	Allows a person who has a particular lien for the payment of a debt on a chattel which the person has expended money, labour, or skill, to file a lien via the Personal Property Registry.
Real Estate Act	Provides for the creation of a Real Estate Council to set and enforce standards of conduct.
Religious Societies' Land Act	Establishes a mechanism by which a religious society or congregation may hold (not in excess of 320 acres) land. It also ensures dealings with the land held by a religious society are done in accordance with the wishes of the congregation or religious society.
Residential Tenancies Act	Provides a framework for landlord and tenant relations in Alberta, setting minimum standards of conduct for both landlords and tenants.
Societies Act	Provides legal authority for a society to incorporate for a non-profit purpose and file by-laws agreed on by the society for governance.
Surveys Act s. 5(1)(d)&(2)(b) -shared with Sustainable Resource Development	Co-ordinates the establishment and maintenance of a land-related information system network, a mapping system and cartographic service.
Vital Statistics Act	Provides for the legal registration of all Alberta births, stillbirths, deaths, marriages and adoptions. Also provides for alterations and corrections to the records, issuance of burial permits, certificates, copies, searches of records and compilation of a statistical report.
Warehousemen's Lien Act	Establishes a mechanism for any person lawfully engaged in the business of storing goods as a bailee-for-hire to register a lien against the owner of those goods for non-payment of services.
Woodmen's Lien Act	Provides a legal mechanism for any person entering into a contract for the purpose of obtaining timber or logs by which it is necessary to employ workmen and labourers to register a lien for non-payment of services.

Alphabetical List of Government Entities' Financial Statements

Entities included in the Consolidated Government Reporting Entity

Ministry, Department, Fund or Agency	Ministry Annual Report
Agriculture Financial Services Corporation[1]	Agriculture, Food and Rural Development
Alberta Alcohol and Drug Abuse Commission	Health and Wellness
Alberta Capital Finance Authority	Finance
Alberta Dairy Control Board[2]	Agriculture, Food and Rural Development
Alberta Energy and Utilities Board	Energy
Alberta Foundation for the Arts	Community Development
Alberta Gaming and Liquor Commission	Gaming
Alberta Government Telephones Commission	Finance
Alberta Heritage Foundation for Medical Research Endowment Fund	Revenue
Alberta Heritage Savings Trust Fund	Revenue
Alberta Heritage Scholarship Fund	Revenue
Alberta Heritage Science and Engineering Research Endowment Fund	Revenue
Alberta Historical Resources Foundation	Community Development
Alberta Insurance Council	Finance
Alberta Pensions Administration Corporation	Finance
Alberta Petroleum Marketing Commission	Energy
Alberta Research Council Inc.	Innovation and Science
Alberta Risk Management Fund	Revenue
Alberta School Foundation Fund	Learning
Alberta Science and Research Authority	Innovation and Science
Alberta Securities Commission	Revenue
Alberta Social Housing Corporation	Seniors
Alberta Sport, Recreation, Parks and Wildlife Foundation	Community Development
Alberta Treasury Branches	Finance
ATB Investment Services Inc.	Finance
Child and Family Services Authorities:	Children's Services
Calgary and Area Child and Family Services Authority	
Central Alberta Child and Family Services Authority	
East Central Alberta Child and Family Services Authority	

[1] The Crop Reinsurance Fund of Alberta was merged into the Agriculture Financial Services Corporation effective April 1, 2003.

[2] Dissolved August 1, 2003.

Entities included in the Consolidated Government Reporting Entity (cont'd)

Ministry, Department, Fund or Agency	Ministry Annual Report
Edmonton and Area Child and Family Services Authority	
North Central Alberta Child and Family Services Authority	
Northeast Alberta Child and Family Services Authority	
Northwest Alberta Child and Family Services Authority	
Southeast Alberta Child and Family Services Authority	
Southwest Alberta Child and Family Services Authority	
Metis Settlements Child and Family Services Authority	
Credit Union Deposit Guarantee Corporation	Finance
Crop Reinsurance Fund of Alberta[1]	Agriculture, Food and Rural Development
Department of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Department of Children's Services	Children's Services
Department of Community Development	Community Development
Department of Energy	Energy
Department of Finance	Finance
Department of Gaming	Gaming
Department of Health and Wellness	Health and Wellness
Department of Innovation and Science	Innovation and Science
Department of Learning	Learning
Department of Revenue	Revenue
Department of Seniors	Seniors
Department of Solicitor General	Solicitor General
Department of Sustainable Resource Development	Sustainable Resource Development
Environmental Protection and Enhancement Fund	Sustainable Resource Development
Gainers Inc.	Finance
Government House Foundation	Community Development
Historic Resources Fund	Community Development
Human Rights, Citizenship and Multiculturalism Education Fund	Community Development
iCORE Inc.	Innovation and Science
Lottery Fund	Gaming
Ministry of Aboriginal Affairs and Northern Development[2]	Aboriginal Affairs and Northern Development
Ministry of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Ministry of Children's Services	Children's Services
Ministry of Community Development	Community Development
Ministry of Economic Development[2]	Economic Development

[1] The Crop Reinsurance Fund of Alberta was merged into the Agriculture Financial Services Corporation effective April 1, 2003.

[2] Ministry includes only the departments so separate department financial statements are not necessary.

Entities included in the Consolidated Government Reporting Entity (cont'd)

Ministry, Department, Fund or Agency	Ministry Annual Report
Ministry of Energy	Energy
Ministry of Environment[1]	Environment
Ministry of Finance	Finance
Ministry of Executive Council[1]	Executive Council
Ministry of Gaming	Gaming
Ministry of Government Services[1]	Government Services
Ministry of Health and Wellness	Health and Wellness
Ministry of Human Resources and Employment[1]	Human Resources and Employment
Ministry of Infrastructure[1]	Infrastructure
Ministry of Innovation and Science	Innovation and Science
Ministry of International and Intergovernmental Relations[1]	International and Intergovernmental Relations
Ministry of Justice[1]	Justice
Ministry of Learning	Learning
Ministry of Municipal Affairs[1]	Municipal Affairs
Ministry of Revenue	Revenue
Ministry of Seniors	Seniors
Ministry of Solicitor General	Solicitor General
Ministry of Sustainable Resource Development	Sustainable Resource Development
Ministry of Transportation[1]	Transportation
N.A. Properties (1994) Ltd.	Finance
Natural Resources Conservation Board	Sustainable Resource Development
Persons with Developmental Disabilities Boards:	Community Development
Calgary Region Community Board	
Central Region Community Board	
Edmonton Region Community Board	
Northeast Region Community Board	
Northwest Region Community Board	
Provincial Board	
South Region Community Board	
Provincial Judges and Masters in Chambers Reserve Fund	Finance
Supplementary Retirement Plan Reserve Fund	Finance
Victims of Crime Fund	Solicitor General
Wild Rose Foundation	Community Development

Ministry includes only the departments so separate department financial statements are not necessary.

Entities not included in the Consolidated Government Reporting Entity

Fund or Agency	Ministry Annual Report
Alberta Cancer Board	Health and Wellness
Alberta Foundation for Health Research	Innovation and Science
Alberta Heritage Foundation for Medical Research	Innovation and Science
Alberta Heritage Foundation for Science and Engineering Research	Innovation and Science
Alberta Mental Health Board	Health and Wellness
Alberta Teachers' Retirement Fund Board	Learning
Improvement Districts' Trust Account	Municipal Affairs
Local Authorities Pension Plan	Finance
Long-Term Disability Income Continuance Plan - Bargaining Unit	Human Resources and Employment
Long-Term Disability Income Continuance Plan - Management, Opted Out and Excluded	Human Resources and Employment
Management Employees Pension Plan	Finance
Provincial Judges and Masters in Chambers Pension Plan	Finance
Public Post Secondary Institutions	Learning
Public Service Management (Closed Membership) Pension Plan	Finance
Public Service Pension Plan	Finance
Regional Health Authorities	Health and Wellness
School Boards	Learning
Special Areas Trust Account	Municipal Affairs
Special Forces Pension Plan	Finance
Supplementary Retirement Plan for Provincial Judges and Masters in Chambers	Finance
Supplementary Retirement Plan for Public Service Managers	Finance
Workers' Compensation Board	Human Resources and Employment

Appendix

Government Services 2003-04 Performance Measure Results at a Glance

Goal	Measure	Results
Goal 1: Efficient licensing and registration services.	Client satisfaction with call centre.	• 73 per cent satisfaction rate (80 per cent target).
	Client satisfaction with: • Registry agents.	• 87 per cent satisfaction rate for registry agents (exceeded 80 per cent target).
	• Registries On-line services.	• 83 per cent satisfaction rate for Registries On-line (85 per cent target).
	• Land titles office.	• 65 per cent satisfaction rate for land titles office (80 per cent target).
	Comparison of Alberta's fees to other jurisdictions.	Alberta's fees are below the targeted national average in all cases: • Vehicle registration renewal is 22 per cent below the national average. • Driver's licence renewal is 25 per cent below the national average. • Land titles registry fee is 82 per cent below the national average. • Collection agency licence is 32 per cent below the national average. • Direct selling licence is 13 per cent below the national average.
Goal 2: Informed consumers and businesses and a high standard of marketplace conduct.	Client satisfaction with call centre.	• 81 per cent satisfaction rate (exceeded 80 per cent target).
	Client satisfaction with consumer investigative services.	• 75 per cent satisfaction rate (80 per cent target).
	Client satisfaction with tipsheets.	• 78 per cent satisfaction rate (85 per cent target).
Goal 3: A service environment that enables Albertans to access government information and services in a manner of their choice.	Increase in transactional services.	• 16 additional transactional services are available through the Government of Alberta website (exceeded target of 15).
	Satisfaction with access to Government of Alberta information and services.	• 74 per cent satisfaction rate (target will be established in 2004-07 business plan).
Goal 4: Effective management of, and access to information and protection of privacy.	Percentage of FOIP requests completed within 60 days.	• 92 per cent of all FOIP requests completed in 60 days or less (exceeded target of 90 per cent).
	Percentage of FOIP requests handled without complaint.	• 91 per cent of all FOIP requests received were handled without complaint to the Office of the Information and Privacy Commissioner (exceeded target of 90 per cent).
Alberta Corporate Service Centre	Dollar savings achieved.	• $3 million in savings (exceeded $2 million target).
	Stakeholder/customer satisfaction.	• Results not available.
	Percentage of performance targets in service level agreements that are met.	• Results not available.
	Staff satisfaction.	• 80 per cent staff satisfaction (equals 80 per cent target).

2003-04 Performance Measures
Source and Methodology

Goal 1: Efficient licensing and registration services.

Percentage of ministry call centre clients who are "satisfied overall" with the quality of service provided to them.

A semi-annual telephone survey was conducted with registry related callers to the call centre. Synovate, a private marketing research firm, was commissioned in 2003-04 to conduct this satisfaction research. The September 2003 research surveyed consumers who contacted the call centre between April and August 2003. The February 2004 study surveyed consumers who contacted the call centre between September 2003 and January 2004.

The survey employs a seven-point satisfaction scale, where one is "extremely dissatisfied," four is "neutral" and seven is "extremely satisfied." Respondents were asked to rate their overall satisfaction with the services they received. A "satisfied" respondent is defined as providing a five, six, or seven on the seven-point scale, while "dissatisfied" is one, two, or three.

Registry Call Centre Satisfaction
Sample Sizes and Confidence Intervals

	2001-02	2002-03	2003-04
Sample Size	300	300	300
95% Confidence Interval	±5.7%	±5.7%	±5.7%

Source: 2001-02 Canadian Facts, 2002-03 and 2003-04 Synovate Research.

Results

73 per cent (key performance measure) satisfaction with the registry related services provided, which is below the target of 80 per cent.

Percentage of customers who are "satisfied overall" with services provided by:

- Registry agents
- Registries On-line (ROL)
- Land titles office

A comprehensive satisfaction survey of clients who accessed registration and licensing products was conducted. Synovate was commissioned in 2003-04 to complete satisfaction research, which builds on results from prior years for each service delivery channel (registry agents, Registries On-line, land titles office). Each of the three main channels has its own survey instrument and methodology. The registry agents and land titles office surveying was performed in: June, September and November 2003, and February 2004. The surveying concerning Registries On-line was performed in two studies conducted in September 2003 and February 2004.

Each survey employs a seven-point satisfaction scale, where one is "extremely dissatisfied," four is "neutral" and seven is "extremely satisfied." Respondents were asked to rate their overall satisfaction with the services they received. A "satisfied" respondent is defined as providing a five, six, or seven on the seven-point scale, while "dissatisfied" is one, two, or three.

Registry agents: A quarterly telephone survey of Albertans (18 or older) who recalled visiting a registry agent office during the past year.

Registry Agent Satisfaction Sample Sizes and Confidence Intervals

	2001-02	2002-03	2003-04
Sample Size	501	503	601
95% Confidence Interval	±4.4%	±4.4%	±4.0%

Source: 2001-02 Canadian Facts, 2002-03 and 2003-04 Synovate Research.

Registries On-line: A semi-annual self-completion survey with representatives from businesses that subscribe to Registries On-line services.

ROL Satisfaction Sample Sizes and Confidence Intervals

	2001-02	2002-03	2003-04
Sample Size	300	308	356
95% Confidence Interval	±5.6%	±5.6%	±5.2%

Source: 2001-02 Canadian Facts, 2002-03 and 2003-04 Synovate Research.

Land titles office: A quarterly self-completion survey with representatives from businesses that have an account with the land titles office.

Land Titles Office Satisfaction Sample Sizes and Confidence Intervals

	2001-02	2002-03	2003-04
Sample Size	273	344	524
95% Confidence Interval	±5.9%	±5.3%	±4.3%

Source: 2001-02 Canadian Facts, 2002-03 and 2003-04 Synovate Research

Results

Results for this measure are:

- Registry agents: **87 per cent (key performance measure)** satisfaction with the service provided (80 per cent target).
- Registries On-line: **83 per cent (key performance measure)** satisfaction with the level of service (85 per cent target).
- Land titles office: **65 per cent (key performance measure)** satisfaction with the registration process (80 per cent target).

Comparison of Alberta's fees to other jurisdictions on key motor vehicle fees (vehicle registration and driver's licence).

Ministry staff contacted provincial and territorial governments across Canada to collect information on fees for vehicle registrations and driver's licences. To facilitate a reliable and meaningful comparative analysis, two key products were identified for the Motor Vehicles Registry: vehicle registration renewal and driver's licence renewal. These two products are the most common transactions, are available in a similar form in all Canadian jurisdictions, and are the most familiar to the general public.

Since many jurisdictions use formulas (e.g., weight of a vehicle), these registrations were put into common scenarios to standardize comparisons across all provinces.

- Vehicle registration: Fee associated with the renewal of a Ford Taurus sedan weighing 3,294 pounds in an urban area (service/administrative fees included).
- Driver's licence: The renewal fee to renew a driver's licence with no demerits, based on a standard five year renewal (service/administrative fees included). A five year renewal period was selected as this is a common renewal timeframe selected by Albertans.

Results

The results of the fee comparison indicated the target has been met as Alberta's fees for these products are competitive with national standards:

- The vehicle registration fee in Alberta is **22 per cent (key performance measure)** below the national average.
- The driver's licence renewal fee is **25 per cent (key performance measure)** below the national average.

Comparison of Alberta's fees to other jurisdictions on registration costs associated with purchasing $150,000 house with a $140,000 mortgage.

Ministry staff contacted provincial/territorial government agencies that use the Torrens system to define land ownership. Under the Torrens system, an interest in land must be duly registered with a central registry maintained by a provincial government and all registrations in the land registry are backed by the provincial government. In addition to Alberta, seven other provinces and territories use this system: British Columbia, Saskatchewan, Manitoba, Ontario, Northwest Territories, Yukon and Nunavut.

To facilitate a reliable and meaningful comparative analysis, the following key products were identified for the Land Titles Registry:

- Transfer of Title
- Registration of Mortgage
- Registration of Caveat
- Discharge of Caveat (from previous owner)
- Discharge of Mortgage (from previous owner)

These five products are typically required when Albertans wish to purchase a home. In some jurisdictions, a land transfer tax is also included as part of registering the transfer of a title. Where applicable, this tax was also included in the analysis in order to represent an appropriate end cost to consumers.

Furthermore, since some of the products employ formulas, these registrations were put into a common scenario to standardize them across all provinces. Specifically, all applicable provincial government fees associated with purchasing a $150,000 home with a mortgage of $140,000 have been included.

Results

The cost in Alberta for this service (sum of all five products) is $133. At **82 per cent below (key performance measure)** the national average, the target has been met.

Comparison of Alberta's fees to other jurisdictions on collection agency licence and direct selling licence.

Ministry staff contacted provincial and territorial government agencies across Canada to collect information on the fees charged for various business licences. It is important to note that Alberta charges a single, flat fee for each licence being compared. To ensure a meaningful comparison, the following assumptions were made:

Collection agency licence

- Comparisons were made against the minimum business fee charged in the province or territory for either a new licence or a renewal, whichever was lower, regardless of company size.

Direct selling licence

- Comparisons were made against the minimum fee charged to sole proprietors, partnerships, or corporations excluding additional charges for branch or satellite offices. Where the fee was for a multi-year period, comparisons were made using the annual equivalent (e.g., $200 for a two-year licence would be $100 on an annual basis).

Results

- The collection agency licence fee in Alberta is **32 per cent below (key performance measure)** the national average.
- The direct selling licence fee in Alberta is **13 per cent below (key performance measure)** the national average.

Both fees are therefore competitive with the national average.

Goal 2: Informed consumers and businesses and a high standard of marketplace conduct.

Percentage of ministry call centre clients who are "satisfied overall" with the quality of service provided to them.

A semi-annual telephone survey was conducted with consumer related callers to the call centre. Synovate, a private marketing research firm, was commissioned in 2003-04 to conduct this satisfaction research. The September 2003 research surveyed consumers who contacted the call centre between April and August 2003. The February 2004 study surveyed consumers who contacted the call centre between September 2003 and January 2004.

The survey employs a seven-point satisfaction scale, where one is "extremely dissatisfied," four is "neutral" and seven is "extremely satisfied." Respondents were asked to rate their overall satisfaction with the services they received. A "satisfied" respondent is defined as providing a five, six, or seven on the seven-point scale, while "dissatisfied" is one, two, or three.

Consumer Call Centre Satisfaction Sample Sizes and Confidence Intervals

	2001-02	2002-03	2003-04
Sample Size	332	301	302
95% Confidence Interval	±5.4%	±5.6%	±5.6%

Source: 2001-02 Canadian Facts, 2002-03 and 2003-04 Synovate Research.

Results

81 per cent (key performance measure) of respondents are satisfied with the consumer-related service provided by the ministry call centre. The target of 80 per cent satisfaction has been met.

Percentage of clients who are "satisfied overall" with the quality of investigative services provided to them.

A random, quarterly telephone survey was conducted with clients of the Consumers Investigations unit. Synovate, a national marketing research firm, was commissioned to conduct this satisfaction research. The research was conducted in four studies:

Cases closed between:

1. March and May 2003
2. June and August 2003
3. September and November 2003
4. December 2003 to February 2004

The survey employs a seven point satisfaction scale, where one is "extremely dissatisfied," four is "neutral" and seven is "extremely satisfied." Respondents were asked to rate their overall satisfaction with how their case was handled. A "satisfied" respondent is defined as providing a five, six, or seven on the seven-point scale, while "dissatisfied" is one, two, or three.

Satisfaction with Investigation Sample Sizes and Confidence Intervals

	2002-03	2003-04
Sample Size	400	600
95% Confidence Interval	±4.9%	±4.0%

Source: 2002-03 and 2003-04 Synovate Research.

Results

75 per cent (key performance measure) of respondents were satisfied with how their investigation was handled in comparison to 80 per cent target.

Percentage of clients receiving consumer tipsheets who are "satisfied" with the overall quality of the information.

A semi-annual telephone survey was conducted with callers who contacted the Government Services call centre and received a consumer tipsheet. A private marketing research firm, Synovate, was commissioned to conduct 2003-04 satisfaction research. Two rounds of research were conducted, the first in September 2003, the second in February 2004. For the September study, respondents were consumers who contacted the call centre between April and July 2003. The February study contacted consumers who requested a tipsheet from the call centre between September 2003 and January 2004.

The survey employs a seven-point satisfaction scale, where one is "extremely dissatisfied," four is "neutral" and seven is "extremely satisfied." Respondents were asked to rate their overall satisfaction with the tipsheet they received. A "satisfied" respondent is defined as providing a five, six, or seven on the seven-point scale, while "dissatisfied" is one, two, or three.

Tipsheet Satisfaction Results, Sample Sizes and Confidence Intervals

	2002-03	2003-04
Sample Size	301	408
95% Confidence Interval	±5.6%	±4.9%

Source: 2002-03 and 2003-04 Synovate Research.

Results

78 per cent (key performance measure) of respondents indicated satisfaction with tipsheets which is below the target of 85 per cent.

Goal 3: A service delivery environment that enables Albertans to access government information and services in a manner of their choice.

Number of additional transactional services offered to citizens and businesses through Service Alberta.

Transactional services consist of interaction with the client through the Service Alberta website which allows Albertans to:

- retrieve information based on variables they enter on the system (e.g., location data).
- apply for a service, pay for a service, check the status of a service, and/or receive notification of approval/denial of a service (e.g., application for funding, employment application).
- order documents or publications online.

A listing of transactional services available through the Service Alberta website as of March 31, 2004 was counted and compared to the number at March 31, 2003. Service Alberta staff validated the list to ensure that only provincial transactional services were included.

Results

16 additional (key performance measure) transactional services were available in 2003-04. This exceeded the target of 15 additional services.

Percentage of Albertans who are satisfied with their access to Government of Alberta information and services.

Research Innovations, an independent research contractor, conducted a random telephone survey of Albertans in February 2004.

A representative sample was used and consisted of Albertans, 18 years of age or older. Within each geographic area of the province (as defined by postal forward sorting areas) quotas were established for the number of interviews with each age group (i.e., 18-34, 35-54, 54 years or older) and, within each age segment, for the number of contacts with males and females.

Those who actually accessed or tried to access Government of Alberta service or information in person, by telephone, on the internet or by mail/fax were asked to rate their satisfaction with being able to access government services.

The survey employs a seven-point satisfaction scale, where one is "very dissatisfied," four is "neutral" and seven is "very satisfied." Respondents were asked to rate their overall satisfaction with the services they received. A "satisfied" respondent is defined as providing a five, six, or seven on the seven-point scale, while "dissatisfied" is one, two, or three.

Access to Government of Alberta
Sample Sizes and Confidence Intervals

	2003-04
Sample Size	317
95% Confidence Interval	±5.5%

Source: 2003-04 Research Innovations

Results

74 per cent (key performance measure) of respondents indicated satisfaction with their ability to access government services. Using the results shown here as a baseline, a target of 85 per cent has been set for 2004-05 in the 2004-07 Government Services Business Plan.

Goal 4: Effective management of, and access to information, and protection of privacy.

Percentage of FOIP requests completed by government public bodies within 60 days or less.

All 77 public bodies, including ministries, Executive Council, the Legislative Assembly Office, Office of the Auditor General, the Ombudsman, the Chief Electoral Officer, the Ethics Commissioner, the Information and Privacy Commissioner and agencies, boards, and commissions designated in the FOIP Regulation submitted quarterly statistical reports of their FOIP requests for 2003-04.

The public bodies track FOIP requests manually, or use the FOIP Request Tracking System. Ministry staff verify the quarterly statistical reports to ensure that the reports balance and are consistent with the previously submitted reports. The number of requests reported as completed in "30 days or under" and "31 to 60 days" are combined and reported against the total number of requests completed.

Results

92 per cent (key performance measure) of FOIP requests were completed within 60 days. The target of 90 per cent was met.

Percentage of FOIP requests handled without complaint to the Information and Privacy Commissioner.

The Office of the Information Privacy Commissioner uses a tracking system to log all complaints it receives under sections 65 and 53(2) of the FOIP Act. Public bodies track FOIP requests manually, or use the FOIP Request Tracking System. Ministry staff verify the quarterly statistical reports to ensure the reports balance and are consistent with previously submitted reports. The number of requests received are combined and reported against complaints received by the Commissioner's Office.

Results

91 per cent (key performance measure) of FOIP requests have been handled without complaint. The target of 90 per cent was met.

Alberta Corporate Service Centre

Dollar savings achieved.

To measure dollar savings on computers and printers, a Volume Purchase Requirements survey is sent to each ministry client. The survey requires ministries to identify their computer and printer purchasing requirements, including manufacturer, model/part numbers, cost per unit, ministries' standard manufacturer complete with manufacturer-specific justification, delivery date and confirmation that the Expenditure Officer has approved the expenditures. This pricing is the benchmark pricing used for the calculation of cost savings achieved. A spreadsheet is also forwarded to each manufacturer indicating the identified volumes to be purchased and the standing offer prices.

Cost savings are quantified by calculating the difference between the amount the purchases would have cost using standing offer prices and the actual volume prices negotiated with the manufacturers.

To measure dollar savings on office supplies, cost savings are tabulated based on the difference in percentage discount (off the vendors' catalogues) pre and post strategic sourcing for the two incumbent vendors.

Dollar savings on office supplies are then added to dollar savings on computers and printers to arrive at the total result for the measure.

Results

$3 million in savings (key performance measure) were realized (rounded from $2,996,637).

Stakeholder/customer satisfaction.

As new methodology is under development, results cannot be assessed during this reporting period.

Percentage of performance targets in service level agreements that are met.

As a reliable and valid measurement tool could not be developed, this measure could not be evaluated or results produced for this reporting period.

Staff satisfaction:

Data for this measure was collected on a government-wide basis with computer assisted web interviewing (76 per cent) and telephone interviews completed between October 13 and November 5, 2003 for the online survey and November 5 to 28, 2003 for the telephone interviews. The response rate was 97 per cent. Question 1 from the survey was used to construct the associated performance measure. This question asked, "Overall, how satisfied are you in your work as a Government of Alberta employee? Would you say you are: 1. Very satisfied, 2. Somewhat satisfied, 3. Neither satisfied or dissatisfied, 4. Somewhat dissatisfied, 5. Very dissatisfied, and 6. Don't know/not stated."

Staff Satisfaction Sample Sizes and Confidence Intervals

	2003-04
Sample Size	285
95% Confidence Interval	±5.0%

Source: 2003-04 Research Innovations Inc. – Government of Alberta 2003 Corporate Employee Survey

Results

80 per cent (key performance measure) staff satisfaction equals the target of 80 percent.

Readership Survey

Thank you for reading the 2003-04 Annual Report for Alberta Government Services. We hope that you will take a few minutes to complete this readership survey. We are committed to continuous improvement and welcome your feedback and suggestions.

Instructions: Please read each question carefully and circle the rating that best describes your response. If you require more space for your response, please use a separate piece of paper and identify the corresponding question clearly. If you have any questions, or require further clarification, please call Scott Beeby at (780) 427-4124.

If you would like to be contacted regarding your feedback, please provide your information below.

Name

Organization

Telephone Number

1. Having reviewed and read through the 2003-04 Annual Report for Alberta Government Services, how would you rate it overall on the following characteristics? Using a scale of one to seven, where ONE is STRONGLY DISAGREE, FOUR is NEUTRAL, and SEVEN is STRONGLY AGREE, do you agree that... *(Please circle only one rating number for each statement.)*

	Strongly Disagree			Neutral			Strongly Agree
I learned something new about the ministry by reading this report	1	2	3	4	5	6	7
This annual report is easy to read	1	2	3	4	5	6	7
This annual report was informative and useful to me	1	2	3	4	5	6	7
The report has an appealing format/look	1	2	3	4	5	6	7
I can easily find information that I am looking for	1	2	3	4	5	6	7
I plan on using this annual report as a reference	1	2	3	4	5	6	7
Overall, this annual report meets my needs as a reader	1	2	3	4	5	6	7

2. What areas or features did you like the most about this annual report?

3. What areas or features would you recommend for further improvement?

Please tear out this survey and fax it to (780) 427-0307 *or mail it to:*

Alberta Government Services
Business and Financial Planning
13th Floor, Commerce Place
10155-102 Street Edmonton, Alberta T5J 4L4

Thank you for completing this survey!
Your answers will be very helpful.

Annual Report
2003-2004

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